

PRUDENTIAL BANK NEGRO BANKERS OF NATION CALL SHOWS LARGEST DEPOSIT GROWTH ON PRESIDENT COOLIDGE *Eagle* IN THRIFT TALK

Washington A.C. 1-17-28

PRUDENTIAL BANK SHOWS CONTINUED GROWTH

The Prudential Bank is one of six local banks which showed an increase in total deposits on December 31, 1927, over the corresponding figures brought out in the call of October 10, 1927, according to complete returns announced Monday following the comptroller's call sent out on January 4.

Sixteen savings banks reported declines. Six made gains. The decrease for the 16 banks amounted to \$1,713,707.95. The largest gain in deposits was made by the Prudential Bank. It amounted to \$65,428.84.

There was a decline in the total deposits of Washington banks on December 31, 1927, of \$7,297,607.25 from the October 10 figures.

Tax withdrawals were the chief reasons assigned for the decline. About \$6,000,000 also was taken from the banks in the form of Christmas savings. It is estimated that already more than 25 per cent of this sum has gone back on the books.

For the first seven days in January the increase in deposits was \$11,715.03. On January 10, the stockholders elected the following board of directors: C. W. Banton, W. L. Board, James A. Cobb, A. M. Curtis, J. C. Dowling, John R. Hawkins, Allen F. Jackson, J. Hayden Johnson, L. Melendez King, M. S. Koonce, Charles E. Mitchell, W. G. Pearson, Peter W. Price, Geo. A. Robinson, Geo. W. Robinson, Louie A. Schenck, A. N. Scurlock, William H. Thompson, Thomas Walker, Garnet C. Wilkinson, William H. Wilson, S. W. Rutherford, Edward A. Baker, Tally R. Holmes.

Members of the National Negro Bankers' Association headed by Major R. R. Wright, president, called on President Coolidge on last Saturday morning. The object of the visit was to interest President Coolidge in the movement for strong Negro banks throughout the country during National Negro Bank Thrift week. Major Wright, the spokesman for the delegation, informed the President that there are 73 banks and banking institutions owned and controlled by Negroes with assets of more than \$20,000,000, with more than 300,000 depositors. He also told the President that while there has been as many as 10,000 white bank failures within the past 10 years there has not been an average of one bank failure a year of Negro banks in the same period of time.

Major Wright is also president of the Citizens and Southern Bank and Trust Company of Philadelphia. This institution has the distinction of being a state and city depository. The Major

is asking that the various Negro banks throughout the country be made city and state depositories. Those who were on the committee which visited the President are as follows: Major R. R. Wright, Dr. R. R. Wright, Jr., John M. Marquess, Judge Edward W. Henry, all of Philadelphia, John R. Hawkins, president Prudential Bank; S. W. Rutherford, president National Benefit Life Insurance Company; J. Finley Wilson, Grand Exalted Ruler of the Elks, Washington. The officers of the association are: President, R. R. Wright, Sr., Philadelphia; vice president, Henry Allen Boyd, Nashville, Tenn.; secretary, Wilson Lovett, Louisville, Ky.; treasurer, C. C. Spaulding, Durham, N. C.

The Prudential Bank has had one of the most prosperous years of its existence and is steadily growing in prestige and strength. With resources in excess of \$450,000 deposits in excess of \$350,000 it is constantly responding to the business needs of its growing clientele.

At the end of December the \$100,000 capital stock of the bank will be fully subscribed and paid in. The surplus at the end of the year will be in excess of \$15,000.

When the bank opened the par value of the bank was \$20.00, with a market value of \$25.00. We are reliably informed that by the end of December the price of the stock will be \$40.00 a share.

A house to house canvass will be made beginning the first of the year to place Prudential banks in every home in the city.

A new feature the Prudential is sponsoring is that of having an Elks Saving Fund which will serve to develop thrift among this large group in Washington numbering in excess of 12,000.

Banks - 1928

ANDERSON BANK IN JACKSONVILLE NOW PAYS DEPOSITORS Third Dividend of 10 Per Cent Makes 35 In All

Paid to Patrons

Jacksonville, Fla.—Announcement is made by Charles H. Anderson, cashier of the banking firm of Anderson and Co., which closed its doors in December, 1921, following a run which followed the withdrawal of Christmas Club funds by some of its depositors, that a third dividend is now being paid to depositors whose money was tied up by the bank's closing.

According to Mr. Anderson, this is the third payment to depositors. The first was 15 per cent; the second, 10, and this one 10, a total of 35 per cent refunded to depositors. The assets are being liquidated through Ernest Amos, state comptroller. There have been three other receivers, the United States Trust Co., George M. Call, and John A. McCall, the latter having paid all the dividends.

Fought Bankruptcy Plea

In 1921, notwithstanding that state bank examiners are reported to have found the bank's assets in good shape, seven disgruntled depositors filed a petition in the United States District Court to adjudicate the bank in bankruptcy, which plea was opposed by Mr. Anderson. The depositors were represented by Attorneys I. L. Purcell and the firm of Johnson-McIlvaine, while the bank's interested were looked after by Attorneys Giles-Patterson and Louie W. Strum.

The bankruptcy plea was denied, but the assets were ordered turned over to the state comptroller for liquidation through a receivership. The many receivership changes and long-drawn out litigation has delayed settlement of the depositors' claims, but the bank is reported now to be going forward in its rightful liquidation. It is estimated that if the bankruptcy proceedings had been successful the depositors would have received not

more than a ten per cent repayment.

This dividend is being paid at the old banking house at 402 Broad street the first refunds being made on April 30.

3 FLORIDA BANKS PUT UP SHUTTERS

White

West Palm Beach, Fla., June 18.—(AP)—Two of the oldest banking institutions of West Palm Beach and one at Kelsey City, near here, with resources aggregating \$6,695,000 and capital stock of \$650,000, closed their doors today and tonight were in the hands of the state banking department.

The institutions were First American Bank and Trust company, which recently was reorganized following a previous closing, and the Citizens Bank, both of West Palm Beach, and the Kelsey City State bank at Kelsey City, which was affiliated with the First American bank of this city.

Officials of the First American bank were reticent to advance a reason for the closing of that institution, but Ernest Amos, state bank comptroller, at his office in Tallahassee, issued a statement, in which he said:

"Parties who reopened the First American bank under contract, abandoned their agreement because the receivables of the bank at the time of the reopening had depreciated to such an extent that they suffered a loss of about \$1,500,000."

Following the closing of the First American bank, officials of the Citizens bank, in closing the doors of that institution, issued a statement which declared that "on account of the demoralized conditions that are certain to be brought about by this action, and the prospects of another run without sufficient notice to us to make necessary financial arrangements to meet such a run, the board feels that it is to the best interest of the depositors that the bank be closed and remain closed until proper arrangement can be made."

B. A. Maxfield, president of the Citizens bank, said the institution is solvent in every way and that the action was taken as a protection to depositors. "They will not lose a cent," he said.

Banks-1928.

General.

N. Y. AMERICAN

FEB 12
**320,000 Negroes
Have \$22,000,000
In Sixty Banks**

By Universal Service.

WASHINGTON, Feb. 11.

THE United States now has sixty negro banks, with 320,000 depositors and \$22,000,000 deposits, President Coolidge was told today by President R. R. Wright and a delegation of the National Negro Bankers' Association.

Earnings of the 12,000,000 colored persons in the country approximate three billion dollars a year, Wright said. Their property holdings total three billions, he said. The largest item is \$150,000,000 of church property.

Banks-1928.

THE END OF WALTER SCOTT'S BANK

Possibly if Mr. Scott had attended to his business, and not undertook to run the politics of the state, and everything else, his bank might not today be in the hands of a receiver, with thousands of dollars of the people's money so involved that they cannot hope to receive hardly fifty per cent of their deposits.

We are of the opinion that the Savannah Savings and Real Estate Corporation has not dealt fairly with the people. When it put on its sixty-day clause it did not properly advise the people that sixty days from the date of their commands for their deposits they would be honored, but it left the public to believe that the sixty days were on from March 2nd, and that May 2nd their money would be available. So, when the sixty days were passed, and the people began to call for their money, the bank would notify them one by one that sixty days from the date of the presentation of the check their money would be available, and a few days later Mr. Scott undertook to float a scheme, that, beginning July 1, 1929, he would pay each depositor 10 per cent of their deposits, and 10 per cent each year until the deposit was paid in full. This would cover a period of ten years. Of course, this was neither banking, common sense, nor satisfaction to the depositors. They became restless, as they had a right to be, and lost complete confidence in Mr. Scott and his institution. Litigation began, and has ended in the bank being placed in the hands of a receiver, the result of which the mind of man cannot contemplate, but, as a rule, receiverships generally end and destroy business. The public will never believe that the institution is solvent. If it were solvent Mr. Scott would never have permitted it to have gone into the hands of a receiver, because with ample and adequate assets and liquid, as he claims them to be, he would have been in a position to meet every demand that the public may have

made upon his resources.

This bank, or loan company, had in its possession, at the time it closed, approximately \$59,000.00 of trust funds, not taking into consideration the thousands of individuals' deposits they have made away with. Masonic and \$36,000.00 Knights of Pythias money. What's going to become of these large sums of widows' and orphans' funds? How has this money been invested, and who has gotten the benefit of it the years that President Scott has had it in his possession? The Knights of Pythias were thoroughly warned against heavy deposits in this bank, and the Secretary-Treasurer

of the Endowment Bureau may be held to strict accountability for banking this money with himself. We do not know what steps the Masons took in Americus a few days ago to protect their interests, but there is nothing that the Knights of Pythias can do now since the bank is in the hands of a federal receiver, and everybody is enjoined and restrained from interfering with the receiver, or loan company in any way.

But we have lost enough money for the race's sake, and in a majority of those banks which have failed the disclosures have proven that the banks are not run in the interest of the race, but in the interest of the officers. All kinds of cross-eyed, crooked manipulations, and conversions of funds for personal investments cover the books of every broke Negro bank. Trust funds have been manipulated, kited, handed around, and loaned to dummy corporations, in order to cover the speculations of the officers who are not seeking to make money for the banking institution, but for themselves. The disclosures are shameful and criminal, and the law must deal with Negro bankers in the same way, and in the same strict rigidity that it deals with white bankers—when they violate the law, they should be held to strict accountability.

The Knights of Pythias have lost in broke banks, since the death of Creswell, approximately \$200,000.00, and the Masons, approximately \$175,000.00, Order of Eastern Star, \$75,000.00, and various other institutions have lost similar amounts. But, all told, Negro banks have "gone south" with ap-

As it stands, we have only one Negro bank left in Georgia. The Independent is glad to say for it, from its statement in answer to the Banking Department's call, that the bank is in sound and liquid condition, and conducting its business according to the banking laws of the state.

Bank failures are not peculiar to the Negro race. Banks are breaking every day, and ninety-nine per cent of them are white banks, because Negro banks constitute less than one per cent of the banks of the country. The color of the skin has nothing to do with the soundness or safety of a bank. It is all in the common, every-day honesty of the officials in charge of our banks, trust and loan companies. The chief trouble has been that the law does not deal with Negroes who break their banks, as it does with white people who break their banks.

PROPERTY OF BANK SAVED

Penny Savings Loan and Investment Company Purchased By Race Realtors.

AUGUSTA, Ga., Nov. 1.—The Southern Realty Company of which Mr. O. M. Blount is president and Mr. J. Thomas Walker, secretary, made glad the hearts of many colored people of this city a few weeks ago when they purchased the property of the Penny Savings Loan & Investment Company from

the Realty Savings and Trust Company (a white firm), which had bought the same at auction to protect themselves against a loan that they had made to the defunct colored bank.

The property is worth about \$150,000, but was purchased for less. The saving of this valuable piece of property to the race marks the first milestone in the history of the Southern Realty Company. The company's objects are: to finance colored business; to lift mortgages from homes; to buy and build homes and to make loans on real estate. Its mission is to serve the public by giving financial aid wherever it is possible.

The company is selling stock quite rapidly—more than \$50,000 worth of stock has been sold within the last few weeks—and it hopes to sell at least \$100,000 by January 1, 1929.

Officers of the company are: O. M. Blount, president; Rev. J. L. Bennett, vice president; J. Thos. Walker, secretary, and Dr. S. S. Johnson, treasurer.

The board of directors includes John Berry, William Carpenter, John F. Dugas, Dr. Jas. Evans, H. R. Mathis, Mrs. Laura (Harper) Pharrow, Dr. L. H. Stinson, Col. T. J. Walker, S. W. Walker, Rev. N. J. Watkins and Bishop R. S. Williams.

STATEMENT OF CONDITION OF
CITIZENS TRUST CO.

ATLANTA, GA.

As Called for by the Superintendent of Banks
At Close of Business

OCTOBER 1, 1928

A. T. WALDEN, President

L. D. MILTON, Cashier

"The Only Negro Bank in Georgia Under State Supervision."

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Independent
**STATEMENT
RESOURCES**

1. Loans and Discounts	\$108,107.37
2. Certificates of Indebtedness and Bonds and Stocks owned	16,493.33
3. Banking House and Lot	65,000.00
4. Furniture and Fixtures	22,500.00
5. Other Real Estate owned	39,480.91
6. Cash in Vault and amounts due from approved Reserve Agents	55,580.21
7. Checks for Clearing and Due from other Banks	6,435.26
8. Cash Items	35.04
9. Overdrafts (if any)	31.01
13. Other Resources	4,352.74
Total	\$318,015.87

LIABILITIES

17. Capital Stock	\$100,000.00
19. Undivided Profits	535.27
20. Reserve Funds	11,000.00
23. Cashiers Checks	1,730.17
24. Certified Checks	399.61
25. Demand Deposits	152,093.03
26. Time Certificates of Deposit	3,290.02
27. Savings Deposits	29,842.77
29. Bills Payable	19,125.90
Total	\$318,015.87

GEORGIA—FULTON COUNTY:

Personally appeared before the undersigned, an officer authorized to administer oaths in said county, L. D. Milton who, on oath, says that he is the cashier of the Citizens Trust Company and that the above and foregoing report of the condition of said bank is true and correct.

L. D. MILTON, Cashier.

Sworn to and subscribed before me, this 10th day of October, 1928.

(Seal)

ALICE SIMPSON,

Notary Public, Georgia, State at Large.

We, the undersigned directors of said bank, do certify that we have carefully read said report, and that the same is true and correct, according to the best of our information, knowledge and belief, and that the above signature of the cashier of said bank is the true and genuine signature of that officer.

This 10th day of October, 1928.

J. B. BLAYTON,

C. R. YATES,

Directors of said Bank.

CITIZENS TRUST COMPANY

"ON AUBURN AVE."

Banks-1928.

Wage Earners Bank Closes Its Doors

Directors Place Institution in
Hands of the State Bank
Examiners

GREAT BLOW TO PEOPLE
Constant Withdrawals of De-
posits for Months Said
be Immediate Cause

Friday of last week was an eventful one for Savannah. The day opened with the intelligence that the Wage Earners Bank was placed in the hands of the State Examiners by its directors. The announcement had a stunning effect upon the people, many of whom did not sense the meaning of the notice. As the news spread, a large crowd gathered around the building, but was not demonstrative. Most of the people acted in a calm manner, many of them stoically. It could hardly be realized that this institution of twenty-seven years standing had closed its doors. So great was the confidence many expected a reopening in a few days.

The night previous, a hurriedly called meeting of the directors was held and the serious condition of the bank explained to them. The directors after legal advice, had nothing else to do, but to vote for it to be placed in the hands of the State Examiners.

About six years ago a flourishing white bank failed here. This followed some time afterwards by four others in the city. The effect caused by these failures were not beneficial to the Wage Earners, for in a quiet way some substantial depositors gradually withdrew their accounts. Two years ago two small colored concerns closed their doors, followed by the failure of the Mechanics Bank, about fourteen months ago. This acted as an impetus upon the people some of whom continued to close their accounts and others gradually reduced the same. Such heavy withdrawals naturally embarrassed the bank. Those in charge acted heroically to meet the situation, but without avail. Added to these constant withdrawal was the fact that employment has been scarce for more than a year, thus preventing any new business. These

are the immediate causes for the closing of the bank at this time, and too on account of the quiet whispering of some, not of the great mass.

The bank examiners reached the city Saturday and have been going over the affairs ever since. No doubt they may make a partial report shortly.

No greater blow has ever struck our people in this city or state, affecting ones in every walk of life.

The ministers and business men have conferred to aid the situation. They are encouraging the people to rally in order to save the existing institution.

Citizens Are Rallying To

Only Remaining Negro Bank
in Savannah

MUCH SUPPORT PLEDGED
To The Savannah Savings
Bank

Monday night at a mass meeting at the First African Baptist church, held under the auspices of the Inter-denominational Ministers' Union and the local branch of the Negro Business League, the critical situation which faces the colored citizens of Savannah on account of the recent closing of the Wage Earners Savings Bank, was discussed before a crowd of more than seven hundred persons who expressed themselves as having unfaltering faith in the Savannah Savings Bank, the only remaining Negro banking institution in this city. The consensus of opinion among those present was that all efforts should be made to strengthen the Savannah Savings Bank by encouraging new depositors for the concern, by prevailing on those who have funds there to allow them to remain and by purchasing \$150,000 worth of the stock of the company which remains unsold, this stock being offered at \$10.00 per share.

The meeting was presided over by the Rev. E. G. Thomas, pastor of the First African Baptist church, and several excellent addresses were made by the Rev. J. A. Lindsay, pastor of St. James A. M. E. church and an aspirant for the bishopric; Mrs. George S. Williams, former national Republican committeewoman from Georgia and a director of the Savannah Savings Bank, and S. A. Jones, secretary-treasurer of the endowment department of the

Knights of Pythias of Georgia, all of whom spoke convincingly of the need of the colored citizenry arising to the occasion in this crucial period in which Negro business finds itself.

W. S. Scott, president of the Savannah Savings Bank, was the last speaker on the program. He outlined a program of the officers of this institution for extending its facilities and stressed the fact that the bank had sound assets to protect all liabilities, but that an unusual run or demand for withdrawals would place it at a disadvantage since most of the funds are invested or loaned on real estate. Mr. Scott's appeal to the audience for confidence met with loud applause.

At the conclusion of the speeches, the Rev. L. M. Glenn, pastor of the First Bryan Baptist Church, who prefaced his remarks by saying that he was the bishop of Yamacraw and that his people had unfaltering faith in the ability of the black man to do both big and little things and would stand at the back of all worthwhile enterprises conducted by Negroes, made a motion that the meeting give a vote of confidence to the officers of the Savannah Savings Bank and pledge itself to support this institution in every way possible. The motion was unanimously passed.

As an evidence of the abiding faith which those present had in the security and soundness of the Savannah Savings Bank (within a few minutes after the chairman asked if there were any who wished to purchase any portion of the unsold stock of the bank, \$4,000 worth were subscribed, a goodly portion of this being in cash).

Last Friday night President F. A. Dilworth called a special meeting of the local Negro Business League at Young's cafe, the purpose of the meeting being similar to that of Monday night—to urge the citizens to keep faith in Negro businesses and not become panic stricken because of recent dramatic happenings in Negro banking circles. The League expressed its faith in the Savannah Savings Bank and passed resolutions urging the citizens to give unstinted support to this institution which is their last hope in the local banking field. There were about 150 men present, representing every line of business and profession in which the Negro is engaged in Savannah.

The League, in order to get their message directly to the people, appointed committees to appear before all the churches last Sunday and urge the people to stand by the one remaining banking concern that is left to the Negro in this city. In this way it is felt that much has been done to allay the unrest among the people, which has been so apparent within the past ten days. A considerable amount of

the unsold stock in the Savannah Savings Bank was purchased by the men at the meeting.

The Rev. S. D. Ross, pastor of the Second Baptist church, who was to have been one of the principal speakers at Monday night's meeting but who on account of urgent church matters arrived at the meeting too late to make a set address, summed up the local situation as follows in an open letter, entitled "S. D. Ross to Savannah Negroes in Their Banking Crisis," which was given out the next day:

As recent as thirty years ago, the nation's economic interests and all persons concerned about the progress of the race, accorded Savannah Negroes first place among all those seeking to excel in the thrift and big business accomplishments of the Negro people of America. There is not a nook nor corner in all this country where strivings of the race are known but that the praises of Savannah's black women and men in business have been sung with wildest enthusiasm and in the cities

CITIZENS RALLY TO SUPPORT OF BANK

(Continued from page 1)
of Cleveland, Ohio, and Washington, D. C., are today thriving and growing largely because of the confidence their patrons have in their managers who were trained in the Negro banks of Savannah.

Two years ago a group of the best Negro business men of the nation, among whom were C. C. Spaulding, Emmet J. Scott of Washington and others came to Savannah. After a thorough inspection of our enterprises here, this party of distinguished gentlemen stated that in a proportional sense they found a greater volume of reliable business conducted by Negroes in Savannah than in any of the greater cities of the north. East and West, where Negro business was in progress.

Now in the light of all this glittering reputation, this question suggests itself: Was all this advancement of a short while ago merely temporary, or was it permanent; was it superficial or was it real? It was founded merely upon the accidents of economic accident, or was it rooted and grounded in the sterner and lasting qualities, foresight, perseverance and the ability to get up and come back after once being sent down to the mat of adversity? What shall the answer be?

About two weeks ago the management of the Wage Earners Savings Bank saw fit to close their

doors, and to commit the affairs of that institution to the state superintendent of banks. Public opinion construes this as a great calamity upon the individuals and the race who are affected.

Let us all take it for granted that public opinion is right—that a great calamity has come upon us in the closing of the Wage Earners Savings Bank. If such is the case, may I ask, in what respect is this experience of Savannah Negroes different from that seen by other races and peoples who have in spite of such calamities, gripped themselves by the boot straps, as it were, and risen above the misfortune which beset them, and today are standing in business more lofty and more substantial than ever before?

Two years ago the banking syndicate, by name, Manning of Atlanta, suffered a business reverse and eighty-two white banks in Georgia went to the wall. A wall of misery and distress went up from thousands of the throats of white farmers and petty business men because of this calamity, and yet to-day banking among white Georgians is in better condition than ever before. Competent authority tells me that a few years ago five banks owned and controlled by white Savannahians failed, and threw the city, white and black, into economic chaos; and yet according to the 1927 financial statement of our city Board of Trade, banking in Savannah today is more prosperous than at any time before. The history of the world has always proven that those groups of men who have reached the top, have been those who, laughing at adversity and scorning the quitter, have mounted the loftiness upon their misfortunes and failures and converted failures into stepping stones. Is there a woman or a man in this city who expects his race to reach the heights by rules different from those by which others have gained these heights?

When the present central library on the grounds of the University of Chicago was in course of erection in 1911 the massive east tower, because of poor workmanship in its foundation, gave way and fell with a mighty crash; but the University did not abandon this great library because of this misfortune. Today that same library in mightiest splendor stands in bold relief against the western skies as the greatest hope and pride of the army of youthful pilgrims going west in search of knowledge.

Georgia.

Is it not also possible that out of the ruins of fallen pride, blasted hopes and shaken confidence, the Negroes of Savannah can and will rally and build up a bank whose strength and security has not yet been equalled in Negro race history?

Some are visioning in the going of our beloved Wage Earners Savings Bank, only the curses with which it seems to overshadow us. I behold rather the many blessings it brings. Three valuable lessons this bank closure teaches:

First, it teaches us to take time to educate our sons and daughters in the intricate and altogether important methods of banking. We are facing a new business era and shall never again realize the big and powerful banking institution unless it is borne of brains and character especially fitted for the business the age demands.

Second, it teaches us to revive our school curricula so as to provide the type of a business education our sons and daughters most need. Morehouse and a few other outstanding Negro colleges, seeing the light, are offering this very type of training to which we refer, and others of our schools must follow in their wake.

Third, it teaches us hereafter to proceed upon the same and unselfish program of pooling our banking energies instead of dividing them at our present stage of community and racial development. Co-operation and not competition is the life of trade and all business perpetuity. We can be certain that a population of 45,000 poor Negroes in a Southern community where employment is uncertain and wages fluctuating, can build and maintain one strong, safe bank; but we cannot be certain that that same sort of a population under conditions described can build and maintain four strong and reliable banks.

In a crisis like this into which we are plunged, two spirits strive to lead men—the spirit of Frenzy and the spirit of Wisdom.

Frenzy teaches us to place no more faith in Negro bankers and their ability to vouchsafe the savings of the people. She teaches us to rush to white banks with our money, or go to the U. S. Post-office. She teaches us to tuck our earnings away some place at home, or to spend it for something we want.

Well, what do the teaching of Frenzy bring us along the road of racial self-respect and progress? In the first place they would subvert Negro women and men to the humiliations, insults and ignominy many of us suffered in the bank when there were no Negro that it would have us admit Negro is naturally infe-

rior and totally incapable of operating a permanently successful banking business. It would have us teach our children, both by example and by precept, that banking is a business for white youth only and the Negro youth need not aspire thereto.

NEGRO BANK CLOSES.

Savannah Institution Gives No Reason For Failure.

SAVANNAH, Ga., March 2.—(AP)—The Wage Earners Savings Bank, a Negro institution, capitalized at \$50,000, with \$988,000 in deposits, failed to open its doors today.

A notice posted on the door said the affairs of the institution were in the hands of the state bank examiners.

No reason for the closing was given.

SAVANNAH IANS REAFFIRM FAITH IN NEGRO BUSINESS

Ministers' Union and Business League Sponsor Mass Meeting to Re-establish Confidence.

Last night at First African Baptist Church on Franklin Square a big mass meeting was held under the auspices of the Inter-denominational Ministerial Union and the local branch of the Negro Business League for the purpose of discussing the financial situation caused by the closing of the oldest colored bank recently, and plans were outlined for the strengthening of the only remaining banking institution operated by the colored people.

Rev. E. G. Thomas, pastor of the church where the meeting was held, acted as master of ceremonies, and Rev. J. A. Lindsey, who is one of the leading candidates for the bishopric in the A. M. E. Church, was the first speaker on the program. He recounted the closing of several banks in various sections and emphasized the fact that his people should take setbacks and business reverses as stepping stones for building more substantial enterprises. He was fol-

lowed by Mamie Williams, who is one of the larger property owners among colored people in Savannah. She admonished her hearers to have faith and confidence in their leaders. Another speaker was Sidney Jones, secretary-treasurer of Knights of Pythias, who also encourage those present to support the only bank left to the race, and pointed out the many advantages a bank offered in stimulating thrift and home ownership which promoted good citizenship and prosperous conditions for the whole community.

Walter S. Scott, president of Savannah Savings Bank, outlined a program of the officers of this institution for extending its facilities. He stated that the directors at the last regular meeting voted to place on the market \$150,000 unsold stock which has already been authorized under the charter. He stressed the fact that the bank had sound assets to protect all liabilities, but that a unusual run or demand for withdrawals would place the bank at a disadvantage, since most of the funds are invested or loaned on real estate. The crowd present seemed pleased with his program and voted unanimously to support the institution, and about \$4,000 was subscribed for new stock. Rev. S. D. Ross, pastor of Second Baptist Church, closed the meeting with a forceful address. The ministers and business men have been very active in stabilizing sentiment and restoring confidence into their people, and the spirit manifested at the meeting last night indicates that they are getting excellent results.—Savannah Morning News.

SOUTHERN SAVINGS AND LOAN COMPANY One of Savannah's Leading Investment Institutions

The attention of our readers is called to the ad of the Southern Savings and Loan Company. This company invests its money in Savannah Real Estate, under a plan whereby both the principal and interest is repaid to the company each month. Under this plan, which is known as the Systematic Repayment Plan, as each payment is made, the company's equity becomes larger for the very reason

that each payment automatically reduces the principal sum.

The Southern Savings and Loan Company has been active in promoting Home Owners among white and colored. They have on their books a large number of very desirable colored loans for school teachers, railroad firemen, truck drivers and others, and these people speak in the highest terms of the fair treatment received at their hands. In addition, they have financed and have made loans for a large number of our colored churches.

The Southern Savings and Loan Company is a strong institution for Savings and Home Owners, and with resources of over \$1,000,000.00, is in a very strong position.

The Company maintains a Savings Department on which it pays 5 per cent and issues Certificates of Deposits, paying 6 per cent, the interest on which is mailed quarterly to your address.

Should you desire any information relative for a loan on home, or for the purpose of building a home on lots already owned, if you will call on this concern, we are satisfied that you will receive the best of treatment.

The officers of the company are: Fred Wessels, Jr., president; H. C. Gunther, vice president; H. C. Brinkman, treasurer and chairman of board; W. L. Bohn, secretary; directors H. C. Brinkman, H. C. Gunther, New York; L. C. Quinn, Atlanta; Herbert E. Gibbons, C. H. Konemann, I. C. Helmly, C. H. Schroder, H. H. Geffken, Fred Wessels, Jr.

WE MUST "CARRY ON"
The Wage Earners Savings Bank has closed its doors. This means that the hope and aspiration of many of us have been affected, and the earnings impaired of hundreds, among whom are those who can ill afford to be losers. The paramount of all is that the confidence of our people in financial institutions, locally, has been shaken and only the coming generation can revive it. There are those who have used their best years and labor for the success of this institution, and have gloried in its growth from a small way to the large proportion attained preceding its closing. These, too, have lost their all. During all of their long connection with the bank they received no remuneration except from invested earnings, but will of necessity be compelled to bear their burdens of the catastrophe.

This failure must not in the least phase us. It should the more induce us to become deter-

mined to "carry on," and build more wisely, solid and safe. This is a test to prove our stamina. There must be no faltering. Just a few years ago five of the largest white banks in the city failed. They had capital several times larger than the Wage Earners with assets in proportion. Since then there were other consolidations. These did not deter the white man; these failures acted as an urge for them to build larger and better. In this respect let us imitate them and rise phoenix-like. The management of The Tribune is as largely affected in this failure as any one else and may have to sacrifice the result of many years of labor, but will join with a stout heart the vanguard of those who will battle to use this failure as a stepping stone for greater racial achievement.

Let us "carry on."

FEB 23 1927

A Negro Bank For Augusta

The announcement in The Chronicle this morning that the progressive citizens of this community, who were largely interested in the Penny Savings Loan & Investment company, are forming a new Penny bank which will be operated under the supervision of the State Department of Banking, will be received with the widest interest in this community by both white and colored people alike.

The Chronicle carried the statement several days ago that the Penny Savings Loan & Investment company, which has never been chartered as a bank, had closed its doors, due to the fact that deposits were largely placed in real estate investments and loans that were "frozen" collateral, so to speak. In other words, there was not sufficient liquid collateral to meet the demands of the depositors from time to time, and after a meeting of the board of directors it was deemed best to close.

An investigation of the affairs of the company shows that not a penny has been misappropriated and that its affairs have been in the hands of some of the best negro citizens of this community, or any other community as for that matter. It has been shown that William Carpenter, president, has worked without pay a long time and has had to put up personal funds in order to keep the institution going, but since the company had its money tied up largely in the structure it now occupies, plus other real estate which could not be sold quickly for the realization of money to pay depositors, there was continuous embarrassment which forced the closing.

An examination by Mrs. B. H. Ellison, well known Augusta business man and auditor shows the books of the company to have been kept in excellent condition and there is not the slightest evidence of defalcation on the part of any one while Mr. Lansing B. Lee of Lee Congdon and Fulcher, prominent Augusta attorney, has been counsel for the Penny Savings Loan & Investment company for two years, and Mr. Lee testifies as to the high character of those who operated the company, both officers and directors.

Under the plan of reorganization, there will be a holding company formed to be called the Penny Security company, which will own all

the stock of the new Penny Bank. This holding company will issue \$50,000 worth of preferred stock and 2,500 shares of no par value common stock. The latter will be issued to the depositors of the Penny Savings and Loan Investment company and the assets of the holding company will be the building at the corner of Ninth and Gwinnett streets, plus a large amount of money in equities in other real estate.

The Chronicle is glad to state this morning that \$18,000 of the necessary \$50,000 preferred stock has already been sold to many negroes of Augusta themselves, while the remainder is expected to be raised without great trouble, for many leading white citizens will be glad to cooperate by taking stock in this institution. We are happy to state that Augusta banks are lending their cooperation and we have every reason to believe that soon there will be a new Penny bank operated under the supervision of the Georgia State department of banking, which will give our many thousands of negroes the banking facilities that they deserve.

The vast south side of the city is largely populated by negroes and there are between 20 and 30,000 negroes living in this community. There are negro life insurance companies, colleges, high schools, merchandising establishments, theatres, etc., and these people deserve a banking institution in the heart of their residential and business district. There are no better negroes anywhere in the world than in Augusta and nowhere are the relations between the white and negro races any more cordial than right here.

The Chronicle is very proud to state that it numbers thousands of negroes in this community as its friends and we believe that the city of Augusta should pave Gwinnett street and that the board of education should build a great negro school to accommodate not less than 1,500 children and that playgrounds should be provided for negro children. The city of Augusta passed a bond issue last year to provide sewers for that portion of the negro territory which did not have sewerage facilities, but we have not done enough for our negroes and we feel that this community is going to do more in the future.

The Chronicle congratulates the splendid negro citizenry that is planning for The New Penny bank and we feel confident that their efforts will be met with great success because they deserve success and we are delighted to see that they are receiving cooperation from some of our best citizens, including bankers, lawyers and business and professional men all over the city. The following are some of the prominent negro citizens of Augusta who

are sponsoring the movement for the New Penny bank:

J. C. Anderson, J. L. Bennett, John Berry, O. M. Blount, William Carpenter, John Crim, I. L. Derry, Frank T. Garner, S. S. Johnson, C. M. Johnson, W. T. Kaigier, J. H. Kendall, Clinton Mack, W. R. Mack, H. R. Mathis, J. S. Outlear, L. P. Sanders, H. T. Singleton, John Strother, J. J. Sturkey, D. F. Thompson, T. J. Walker, Clarence S. Wigfall, W. H. Wilborn, Handy Wright.

FEB 17 1928

Penny Bank Fails.

AUGUSTA, Ga., Feb. 16 (AP).—The Penny Savings Loan and Investment company, of Augusta, a negro financial organization capitalized \$15,000, failed to open today and its directors filed a petition in bankruptcy. Deposits were placed at between \$150,000 and \$200,000.

Attorneys for the concern expressed the belief that its assets, mostly in real estate, will almost equal its liabilities.

WAGE EARNERS' BANK FAILURE

The failure of the Wage Earners' Savings Bank, Savannah, Georgia, March 2, 1928, proved the sensation of the year. Very few people, if any, in Savannah, or elsewhere, mistrusted the solvency of this pioneer institution.

The Wage Earners' Bank was the oldest state bank owned and controlled by the race in Georgia. Its president, Mr. Lucius Williams, who had directed its destinies since its organization, has been a paralytic for a number of years and has not been able to give the institution his personal attention. We are informed that he had sacrificed his personal savings in order to save the bank. But of late his mind has been seriously affected and for that reason he has not been able to keep the institution afloat.

We do not know about the assets of the bank at the hour of closing, neither do we know about the character of its securities, and to what extent the bank will be able to pay its depositors in full. We understand that the bank fail-

ed for approximately a million dollars and owed at the time of the failure, to depositors a cool million. To what extent it dealt with preferred creditors, like the Masons, K. of P., Eastern Star and other institutions, we are unable to tell.

The largest single depositors were the Grand Lodge Masons of Georgia, which had at the time of the failure on deposit \$127,000.00, Dr. H. R. Butler, Grand Master of the Masons, informs the Independent that the Masons were amply secured and will not lose anything except which may occur from the shrinkage of securities. Colonel Bartell, of the Knights of Pythians, informs us that his order was secure, but could not verify the value of the securities in liquidation. We do not know whether the Eastern Star or the Courts of Calanthes were protected by securities or not.

Among the heavy depositors we have learned of the following losses: Masons, \$127,000.00; Pythians, \$15,000.00; Eastern Star, \$75,000.00; Courts of Calanthes, \$19,000.00; the other losses are distributed among 15,000 small depositors, churches, lodges, widows and orphans.

We are informed by Mr. Frank Dilworth, president of the local Negro Business League, that business is normal in Savannah, and no other bank is threatened with a run as the result of the Wage Earners' failure.

A Negro Bank for Augusta

CERTAIN enterprising negro citizens of Augusta have organized a new bank, to be known as the Penny Savings Bank. It will be operated under the supervision of the state department of banking, just as other banks are.

Atlanta has had a very successful negro bank for a number of years; as a matter of fact, Atlanta negroes of means have embarked upon various lines of enterprise along extensive lines.

Auburn Avenue, where many of these negro institutions function, is pretty well known throughout the South among the ne-

gro population as a real center of financial, real estate and commercial activity.

It is fortunate for Augusta that this negro bank is to be put in operation. It will be helpful to that beautiful city in many ways.

It will increase the respect in which the negro population of Augusta is held by the white citizenship. It will make for better and finer mutual understanding and good will.

It will tend to elevate the ideals of citizenship of the colored people.

The Georgian would like to see other negro banks and similar organizations perfected throughout Georgia; it would be fine, helpful and wholesome advertising abroad for this commonwealth!

July, 1927, by officials, the Wage Earners had on deposit \$1,061,620. Other liabilities at that time were listed at \$94,000, and the bank was \$50,000 in paid-in capital stock.

Among its resources were listed surplus and profits, \$2,000; loans and discounts, \$896,110; bonds and securities, \$162,970; cash, exchanges and due from banks, \$37,300; miscellaneous resources were listed at \$134,240.

Can't Locate Officers

Efforts of an AFRO-AMERICAN representative to locate officials of the bank Monday, failed. Even in business circles the whole affair seems to be clouded in mystery. No arrests have been made and what precipitated the sudden action which could not be learned.

The officials of the bank are: C. E. Williams, president; S. C. Johnson, vice-president; J. W. Jackson, cashier; R. A. Harper, assistant cashier; M. J. Robertson, Jr., and E. C. Blackamear, assistants.

The president, C. S. Williams was a brother of J. S. Williams, for several years noted as the producer of the first bale of cotton to be ginned in the state each year, and who became involved in an illegal stock transaction in Baltimore and was sentenced to a term in prison.

At the time of the taking up of his residence in Baltimore, J. S. Williams was heralded as a rich southern farmer worth \$50,000, who had been driven out of the South because of prejudice there.

NEGRO BUSINESS LEAGUE RESOLUTIONS

The closing of Wage Earners Bank about ten days ago has aroused practically the whole colored population to double their efforts in maintaining its reputation in the business world. Savannah negroes have been pioneers in the organization and operation of big financial institutions and they feel keenly the loss of the oldest banking establishment among their group.

They consider it a heavy misfortune in the loss of funds, but the greatest hurt comes from the weakening of confidence and the apprehension of launching out again with the united support and co-operation of the masses. The leaders of many of the organizations and churches are very active in restoring confidence and a hopeful attitude seems to pervade the ranks of the thoughtful. The leaders contend that the banking institutions among the colored people have stimulated the habit of thrift and home ownership and many small depositors, especially Christmas club members, would be placed at a great disadvantage without colored banks, and that the prosperity of the city depends, in some degree, upon the preservation of at least the remaining banking establishment. A mass meeting is called for Monday night at First African Baptist Church on Franklin square.

The Business League, in an enthusiastic meeting at Young's Cafe Friday night, passed the following resolutions, unanimously:

"Whereas, the recent closing of The Wage Earners Bank here in our

city brings us as a race face to face with a very serious and tragic condition, and

"Whereas, the Wage Earners Savings Bank was regarded as a monument to negro effort and achievement which won for the race at Savannah the respect and praise of people throughout the country, and

"Whereas, the said bank has been such a power for good in this community in helping our people,

"Be it resolved, That we deeply deplore the unfortunate condition which the suspension of the bank has created here, and that we suspend judgment, as far as possible, until we have read the findings and report of the auditors.

"Be it further resolved, That we have not lost all. We still have hope and faith in the possibilities of the race, and in our remaining banking institution, the Savannah Savings Bank,

"Be it further resolved, That we, the members of the Negro Business

League of Savannah, in meeting assembled, having utmost confidence in the honesty, integrity and business acumen of the officers and directors of the Savannah Savings Bank, do hereby earnestly pledge our unstinted support, financial and moral, to the Savannah Savings Bank and that

"We demonstrate this faith and co-operation by allowing such funds as we have now on deposit there to remain, as far as possible, and by making further deposits as steadily as possible to the end of making this the safest and strongest banking institution among our people in the country, and that

"Each member of this Business League pledge himself as an agent for the promulgation of this sentiment and spirit among our people generally and as far as possible to allay all spirit of unrest and distrust and to urge our people to stand by the spirit of this resolution."

The committee was composed of J. J. Lawrence, president Central Park College; J. W. Davis, manager Atlanta Life Insurance Company; Dr. J. W. Harris, L. B. Toomer and Dr. E. J. Smith, signing the resolution for the league.

RECEIVERSHIP DENIED

An application to the U. S. federal court for the appointment of a receiver for the Savannah Savings and Real Estate Corporation by three attorneys claiming to represent four depositors and a hearing on the petition was held before Judge Barret in Augusta Saturday morning May 19th.

Upon hearing the petition and statement of the attorney representing the petitioners, Julian Hartridge Esq., the court ruled that no grounds for a receivership had been shown by the petitioners and he would not make

such an appointment.

Judge Barrett further stated it would be the purpose of his court to assist the institution in any way it could to continue business, and told the officers to continue the business in the usual course. He also stated it would be advisable for the attorneys representing the plaintiffs to make a counter proposition to the Savannah Savings if they did not want to accept the proposition which has been made by it to the depositors.

The officers were also instructed to reduce expenses as much as possible and do everything to protect the interests of the depositors. In line with these suggestions the number of employees have been reduced and salaries have been reduced by more than

half. The Secretary-Treasurer, Mr. R. E. Scott resigned effective May 30th and Mr. Frank Cain was elected as treasurer with Miss R. D. Milledge who is the assistant secretary to be acting secretary for the present.

All deposits now made with the Savannah Savings are subject to payment on demand and any business given it will receive prompt attention

MILLION DOLLAR BANK FAILS IN SAVANNAH

Wage Earners' Savings Bank
And Trust Co. Has Liabilities Of \$1,155,620

BANK OFFICIALS
CAN'T BE LOCATED

No Arrests Are Made;
Bank's Doors Are Locked Tightly Monday

SAVANNAH, GA.—The Wage Earners' Savings Bank and Trust Company, a million-dollar institution, and regarded as one of the strongest banks in the South, closed its doors here Saturday. 3-18-28
According to statements made in

News of Colored People In Augusta and This Vicinity

By Walter S. Harris

By WALTER S. HARRIS

Following the failure of the Penny Savings, Loan and Investment Company, a group of leading colored business men held a meeting on last Sunday afternoon in the office of Mr. Lansing B. Lee, local attorney, and began steps for the reorganization of the bank. Mr. Lee went fully into details covering the failure of the Penny Savings, Loan and Investment Company, and pointed out to those assembled the advisability plus the advantages and possibilities of their organizing a new banking institution on the ruins of the old concern.

It was brought out that the Penny Savings, Loan and Investment Company had in the bank on the day it closed, only \$300, which was turned over to the receiver, Mr. Berry H. Ellison; that their assets were "frozen"—being tied up mostly in real estate, which is said to be worth between \$150,000 and \$175,000, and notes that were collectable from 30, 60 and 90 days. Their liabilities were a mortgage of \$50,000 to a realty corporation; \$32,000 and \$8,000 due other banking institutions. The attorney did not hesitate to state that the collapse of the Penny concern was due to the fact that they did not have money sufficient to continue their business; hence voluntary bankruptcy. It was pointed out further that if the bankruptcy proceedings are allowed to continue through the courts of bankruptcy, that after such costs, including attorneys' fees, the expenses of receiver, etc., in the final analysis the depositors of the defunct Penny Savings, Loan and Investment Company would not get anything.

On the other hand, that, in the event that a new company was organized, and take over the entire affairs of the Penny Savings, Loan and Investment Company, all of the assets of the company could be saved, and a bank on sound basis, under state supervision, could be organized. To do this, however, a capital of \$50,000 would have to be raised.

According to plans, as outlined, the new company would own all of the preferred stock, which would be taken care of first to the amount of eight per cent., with full protection to depositors, while old depositors of the Penny Bank will be induced to allow their deposits to operate as non par common stock, which carries some hope for them. This, it is said, will be the only hope held out for those who lost in the defunct organization; one of the uppermost motives in the minds of

some of the promoters of the new bank. Summing it all up, after the new bank is organized, the new stockholders and depositors are paid their eight per cent, on investments, and as the business prospers, all over and above eight per cent, will be declared between the depositors of the old Penny Savings, Loan and Investment Company. This is hope. Some hope is better than none.

The meeting of these Augusta business men on last Sunday was very well attended, and fraught with much enthusiasm after the address of Mr. Lee. There were present men in all walks, business men, ministers, doctors, many of whom made favorable talks on the reorganization of the Penny Bank—all taking the position that whatever might be done in the way of doing something for those who suffered loss in the failure of the colored bank ought to be done. At the conclusion of addresses, steps were taken to raise the \$50,000 necessary to organize and begin a real bank, under the laws of Georgia; which also, when chartered, it is understood, will come under sanction of local Broad Street banks.

At the meeting \$10,000 was subscribed, and since approximately \$10,000 more has been added, making a total of \$20,000 already subscribed. Among the men behind the movement are Revs. W. R. Mack, W. P. Sanders, J. C. Anderson, I. L. Derry, J. L. Bennett and D. F. Thompson. John Berry William Blount, William Carpenter, John Crim, Frank Garner, George M. Johnson, Dr. S. S. Johnson, W. T. Kaigler, J. H. Kendall, Clinton Mack, Dr. L. H. Stinson, H. R. Mathis, Dr. J. S. Outler, H. T. Singleton, John Strother, O. M. Blount, J. J. Sturkey, Handy Wright, W. H. Wilborn, C. S. Wigfall, T. J. Walker.

WAYNESBORO, GA., NOTES

WAYNESBORO, Ga. — Principal P. A. Evans preached for Rev. W. R. Mack at Elim Baptist Church on Sand Hill last Sunday. He preached to an appreciative audience. Elim is a great church and Rev. Mack is an efficient pastor. Therefore, it seems to be the right man in the right place.

Mlle. Emma Wilson, age 75, departed this life February 18, and was buried from Thomas Grove Baptist Church, Rev. R. C. Calhoun, pastor, and Rev. T. H. Holmes officiating, on February 20. She lived a consistent Christian life. She was loved by both white and colored.

Mme. Corinthia Jenkins, of Savannah, is visiting her daughter, Mlle. Belle Briggs, on Jones Ave-

nue.

Prof. R. L. Wade is trying to get his shop ready before school closes.

Coach Maudie Dunn is whipping her team in shape for a game in Washington on March 2, with Washington High.

The W. H. & L. School's enrollment is no w31, the largest in years.

FUNERAL OF MME. FLOYD HELD WEDNESDAY

Funeral service over all that is mortal of Mme. Ella Floyd, relict of the late Rev. Dr. Silas X. Floyd, who died early Monday morning, after an illness of several weeks duration, was held Wednesday afternoon at 3:30 o'clock, from Tabernacle Baptist Church of which she was a devoted member. In spite of the heavy down pour of rain that started early in the day—continuing all day long, a very large crowd that almost packed the lower floor of Tabernacle Church was present, which was splendid evidence of the high esteem in which Mme. Floyd was held by those who knew her.

The obsequies began with prayer by Rev. R. J. McCann; scripture lessons were read by Revs. A. C. Griggs and W. P. Sanders, while the chituary was read by the Rev. W. R. Mack. Limited remarks were delivered on the life of the deceased by Rev. J. C. Anderson and Rev. J. W. Whitehead, who were followed by Dr. D. F. Thompson, pastor of Tabernacle Church.

Musie was rendered by the senior and junior choirs of the church—joined in by the congregation. A duet was sung by Mlle. Mattie Lou Hall and Mme. D. P. Stewart, and a solo by Charles C. Green, both of which were very touching. At the decess's own request, the audience sang "Servant of God Well Done". At the conclusion of services at the church the funeral procession wound its way to the colored city cemetery, where the remains were interred by the side of those of her late husband; the grave being covered with a profusion of beautiful flowers.

Of the immediate relatives, Mme. Floyd is survived by her only daughter, Mlle. Marietta James, and two sisters, Mme. Thomas B. Newsome, and Mme. Henrietta Lowe.

The following acted as pallbearers: Honorary: Charles Murphy, Vergal Lowe, H. B. Garvin, Moses Walker, Lewis E. Mosely, Samuel B. Harris, John Snypse, and Harvey Henry. Active: Lewis M. Feriby, W. H. Mays, W. H. Wilborn, Prof. L. E. White, Prof. P. H. Craig and Martinburo.

CUMMINGS-SANDERS WED- DING WEDNESDAY EVENING AT SIX O'CLOCK

One of the most beautiful wedding ceremonies of the season, was that, on Wednesday evening at 6 o'clock, when Mlle. Nellie Eliza Cummings, and Ernest Morris Sanders, both of Augusta, were united in the bonds of holy matrimony. The ceremony was performed at the home of the bride's parents, Deacon and Mme. A. Frank Cum-

mings, 1537 Twigg's Street, and was performed by the Rev. W. P. Sanders, the bride's pastor, assisted by Rev. A. G. Davis, who offered prayer.

In spite of the inclemency of the weather, the house was thronged to capacity by the many friends of the popular young couple and many were the exquisite presents that they were proud recipients of.

Just before the wedding march began, "Oh Promise Me" was sung by John Morse, tenor, with Mme. Maud Jones, cousins of the bride, presiding at the piano, with Andrew Cummings, the bride's brother, manipulating the violin. The room was beautifully decorated and the ceremony was performed under a huge arch of palms.

The bride is the only daughter of her parents, and a descendant of one of Augusta's oldest and best known families of color. She is connected with the Pilgrim Life and Health Insurance Company as secretary and a most popular young woman. The groom is the son of Thomas Sanders, Sr., of Beech Island, S. C., also one of the largest and highly respected families of that section. He is engaged in the hotel business.

The newlyweds will make their home at present with the bride's parents. Most hearty congratulations are extended them.

NOTES THANKFUL BAPTIST CHURCH

Thankful Baptist Church, corner Walker and Lincoln streets, Rev. A. G. Davis, pastor. Sunday services: Early prayer meeting 6:30 a. m. Junior B. Y. P. U., 10 a. m. Preaching 11:30 a. m. Sunday School 3:30 p. m. Evening worship 7:30 p. m. Weekly prayer meeting Tuesday 8 p. m. Senior B. Y. P. U. Thursday, 8 p. m.

To all services the public finds cordial welcome.

On Monday night, March fifth, the junior choir-chorus will begin their three nights bazaar, which will continue Tuesday and Wednesday nights. Monday night's entertainment will be a drama, Tuesday night, a musical and literary concert by the juniors, and Wednesday night another play. The drama and play is under direction of our clerk, Julian R. Collins, and the musical is under direction of the chorister and president of the junior choir. This is sufficient to guarantee worthwhile entertainments for each night, and every member and friend of the church are asked to support the effort of our young people.

The Junior Auxillary met on last Monday night at the home of Mlle. Archibelle Twigg's. They will meet on tomorrow night at the home of Mme. Hattie Willis, 406 Taylor Street.

The Senior B. Y. P. U. is still improving on Thursday night a most interesting program was rendered in which several of the leading lights of our church took part. There were recitations, solos,

choruses duets and etc., all very inspiring.

On Thursday night of this week, Col. Walter S. Hornsby will address the union. Colonel Hornsby, being president of Antioch B. Y. P. U. has had much experience in the work and therefore, well versed on the subject,—aside from his being a fluent and eloquent talker. A large crowd will be present to hear him.

Pastor Davis will fill the pulpit at both services today and both choirs will render inspiring music. Attend our church today.

SPECIAL MEETING SPRINGFIELD CHURCH

All members of Springfield Baptist Church, Rev. W. P. Sanders, pastor, are requested to attend services at the church this morning at 11 o'clock. At the close of worship the church will be called together in special conference and all members are asked to be present.

ENTERTAINMENT TUESDAY AT HAINES SCHOOL

There will be a musical entertainment Tuesday night, this week, at Haines Institute, under auspices of the Augusta News. Also, at which time Rev. A. C. Griggs will give a talk on "The Negro Press." All lovers of good music are invited to be present.

The program follows: "America," congregation; invocation, selection, Walker Baptist Institute; selection, Brown Trio; selection, Paine College; violin solo, James Williams; select reading, Mlle. L. I. Cade; "The Negro Press", Rev. A. C. Griggs; selection, Haines Institute; selection, Brown Trio; selection, Paine College; violin solo, James Williams; benediction.

MEETING THURSDAY OF UNION RELIEF ASSOCIATION

All members of the Union Relief Association are urged to be present at their next regular meeting Thursday night of this week, at which time Rev. J. C. Anderson, pastor of Trinity C. M. E. Church, will address them on business of importance.

By order of
C. C. GREEN, President.

THE BABY CLINIC MEETS TUESDAY

The Well Baby Clinic which is being fostered by the Richmond County Medical Association is still growing in attendance. It is hoped, that on Tuesday afternoon quite a few babies will be brought out for examination. Remember the place, Bethlehem House on Brown Street.

Y. W. C. A. TO HOLD SERVICES

"Who loseth to God as man to man
Shall win at the turn of the game.
I have drawn my blade where the
lightnings meet
But the ending is the same:
Who loseth to God as the sword

Shall win at the end of the game."

—Ezra Pound.

This Sunday, February 26, at five o'clock, there will be an interesting service at the Phyllis Wheatley Branch, Y. W. C. A. to which the community is invited. The delegates to the adult guidance council held recently at Charlotte, North Carolina, will tell us of that meeting. Besides talks by the delegates who are Myrtle Harris, Adrienne Jefferson, Mattie Belle Jefferson, and Octavia Wynbush, there will be some musical numbers furnished by the "Y" Glee Club and others.

The go-rain-or-shine girls met Monday afternoon and completed plans for their monthly party to be held Friday, February 24.

The night school is holding the interest of those enrolled. The students are showing remarkable progress, and are deeply interested in their work. The class meets every Monday and Wednesday night at eight o'clock, and is open to any one wishing to attend.

The Polly Annas met Tuesday afternoon. Several girls who have not been present for some time came out. Two new girls joined the club.

The Postal Alliance held its monthly meeting at the Branch Tuesday night.

The know-your-city class met Tuesday night. The class is having a study of the origin of the names of Augusta's streets.

The inclement weather of Wednesday prevented the regular rehearsal of the glee clubs.

The Bible class students are finding the Thursday afternoon sessions very informative. More people are urged to attend these sessions.

The meetings of the cooking class are being featured by discussions as well as by demonstration. At a recent meeting, Mlle. Norma Norton, chairman of the education committee, gave a talk on "Tea." Talks by other persons on food values are being planned for the future.

ANTIOCH B. Y. P. U. TO MEET TONIGHT

Group No. 7, of the Antioch B. Y. P. U. under the leadership of Mesdames Brown and Bell will be in charge of the program this evening at 6 o'clock.

"The Child Moses" (a biblical story) will be dramatized by members of the group. The drama will be quite entertaining, instructive and educational.

You will miss a rare treat if you fail to witness it. The offering and attendance banners will be awarded the successful group.

You and your friends are most cordially invited to attend.

TRINITY C. M. E. CHURCH HEARS PASTOR

Last Sunday morning in spite of the inclement weather, a representative congregation attended the services at Trinity Church, and heard a wonderful sermon delivered by the Rev. J. C. Anderson,

pastor of the church. The subject, "The Holy Comforter," was ably treated by the speaker who is preaching a series of sermons on the Apostles' Creed. The Comforter represented the third person in the Holy Trinity and it was the abiding presence of the Holy Spirit that guided and sustained not only the early members of the apostolic church, but now the presence of the Father is demonstrated to us through the power and presence of the Holy Ghost.

The subject of the evening hour was "The Communion of Saints." In this sermon the pastor pointed out the Christian fellowship as the most powerful link connecting the nations of the world into a common tie of brotherhood.

The Sunday School and Epworth League programs were instructive and the attendance at these services were commendable. Keen interest is being manifested by the members of the church in the work of these two departments that are rendering such valuable opportunities to our young people for Christian service.

The choir rendered excellent music during the day. Select musical numbers and anthems were rendered to the delight of the congregation.

Today the pastor will continue his sermons on the Apostles' Creed. The subject of the morning hour will be the "Holy Catholic Church." A cordial invitation is extended to the public to worship with us. Visitors will always find a hearty welcome at Trinity Church. Sunday School at 10 a. m. Preaching 11 a. m. Epworth League at 6 p. m. Preaching 7:30 p. m.

A feature of our services last Sunday was the remarkable and inspiring address delivered by Dr. L. Wilkie Collins, the eminent pastor of St. James Methodist Church. Dr. Collins' address was instructive and edifying. It was an earnest appeal to the young people of this city to rally around the church of God and contribute of their talents in making Augusta a city known for Christian activity and zeal. Numerous are the avenues and opportunities for service opened to the young people and the hope of Christianity is found in the development of the younger members of the church along the lines of Christian stewardship. His address carried force and conviction to his audience and those in attendance were enlightened as never before as to the importance of Christian application in their daily lives.

MILES CHAPEL TO HOLD SERVICES

The public is cordially invited to attend the services of Miles Chapel C. M. E. Church.

Sunday School at 10 a. m.; morning service at 11 a. m.; Epworth League at 7 p. m.; evening service at 8 p. m. Pastor, M. L. Wiggins, follows:

Opening selection, "Higher Barr; selection, "Since Jesus Came Into My Heart"; reading of past minutes; reading of the following:

roll call, collection, Bible quotations; selection, Miles' "Famous Three," Mme. Boyd, Smith, Mlle. Jones; discussion: "My Life Work," Mlle. Louise Moss; selection, Miles' "Famous Four," Mlle. Anderson, Walker, Moss, Anderson; recitation, Mlle. Corie Jones; vocal solo Mme. Neely Walker; remarks by the president; benediction.

PAINE CLASS TO PRESENT PLAY

Friday evening at 8:00 o'clock the high school seniors will present Walter Ben Hare's famous comedy, "Deacon Dubbs," in Haygood Hall auditorium. This is a remarkable production; a sensational comedy-drama in three thrilling acts, chock full of love and romance, side-splitting humor, and witty dialogue—full of interest from start to finish.

John Dillingham, regional secretary of the Y. M. C. A., for the Southeast, was one of the visitors to the campus last week. He conducted vesper services last Sunday and gave an interesting address headed, "Creative Living," in which he emphasized the gain derived from the pursuits of activities for the sheer joy of them and not merely for pecuniary reward.

The Paine College expansion program is making promising headway in Atlanta. Dr. J. A. Martin, vice president and official agent for Paine College has been working hard for the past two or three weeks on this proposition and has put in much effort to raise the quota of \$5,000 proposed by the C. M. E. churches of Atlanta. Subscriptions for this campaign will be complete about two weeks after this time.

The choral club left for Atlanta this morning to sing at the mass meeting taking place at West Mitchell C. M. E. Church in support of the efforts of the C. M. E. churches of Atlanta in contributing their quota to the Paine College Expansion Program.

President Roy S. Tomlin, representing Paine at the Paine expansion program in Atlanta today, will speak at the Sunday services at Atlanta University at 11 o'clock.

The chorus is scheduled to give a recital at the Partridge Inn Monday evening at 8:30 o'clock.

William L. Graham, president of Paine College Y. M. C. A., left the campus Friday to represent his organization at the Georgia Student Y. M. C. A. Council Meeting, which took place at Central City College, Macon, Georgia, Friday and Saturday.

Charles G. Gomillion, a member of class '28, returned to the campus Saturday night after being called home Thursday upon the illness of his daughter, Vernita, whose condition is reported much improved.

The Leap Year social given by the Y. M. C. A. last Wednesday

was featured by the escorting of the young men from Epworth Hall by the young women.

The sextette won out over the hard fighting Booker Washington girls Wednesday afternoon in Catholic Hall by the count of 18 to 15 in a game that takes first rank as a thriller on Augusta courts. The Paine machine worked out in such perfection that it was a hard matter to determine the star individual performers. It is safe to say, however, that Alice Copeland in forward and Rupert Blanchard in guard, with their sterling efforts, stood something above the rest. Sadie Allen, Booker Washington's forward ace, was the mainstay of the visitors.

The quintet followed up the girls' victory with an impressive 13 to 10 victory over the fast Haines outfit Wednesday afternoon on the same court. The Haines defense appeared at first surprisingly tight and the first quarter ended 2 to 2. Haines scored once in the second frame while Paine forced ahead with two baskets and a foul goal by M. Moore and Bowman and ending up the half with a 7 to 4 score in Paine's favor. A basket by Jones and a free throw by Haines had the score tied at the end of the third quarter. The passing of Turner, Fisher and Johnson at this period was superb and appeared to give Paine serious concern. Pinckney scored a free throw for Paine; another free throw and Moore scored twice, once from mid-floor. Fisher registered a basket for Haines as the game came to a close.

The boys' basketball team will Paine court tomorrow afternoon at 4 o'clock. A return game with Claffin will be played Wednesday in Orangeburg. The girls' team will play the last game on this season's schedule Tuesday with the Allen University five in Columbia.

"DESIRES OF 1928"

The patrons of the Lennox Theatre will have a chance to see what is rated as America's greatest colored musical comedy hit on Thursday and Friday of this week, when Irvin C. Miller's "Desires of 1928" make their initial appearance at the popular play house.

It is of much interest to know that Augusta's own, Mable C. Ridley, heralded every place as America's song bird, is the outstanding star with this company, along with Whitney and Tutt, whom we all remember of smarter set fame.

The "Desires" consists of thirty people, everyone a star in his or her line of work and feature the famous Miller beauty chorus direct from New York City.

The company carries a carload of special scenery and gorgeous costumes, which brings it up to the highest standard.

THURSDAY, FEB. 23

NEGRO BANK PLANNED BY LOCAL CITIZENS; OUTLINED BY LAWYER

Bank Would Liquidate Assets of Bankrupt Company and Issue Stock to Depositors in Old Company

Plans of a number of colored business men to form a state supervised bank with capital stock of \$50,000, which corporation would liquidate the assets of the bankrupt Penny Savings Loan & Investment Company, have been announced by Lansing B. Lee, attorney for the company. The plan, says Mr. Lee, is to take over the assets of the bankrupt investment company, and beside the capital investment, to issue 2,500 shares of no par value common stock to depositors and unsecured creditors of the old company.

Two things which must be accomplished before the bank is organized, according to Mr. Lee are: raising of capital in order to open a bank on a sound basis, and securing consent from a sufficient number of depositors and other unsecured creditors to accept stock in the new company in lieu of their claims in the bankruptcy court.

"We can say with hardly any hesitation that the depositors' claims in the bankruptcy court are worth nothing whatever," says Mr. Lee. "If this is true, they have something to gain and nothing to lose by accepting certificates of stock in the new company to be formed."

If the equities of the old company can be made to produce anything and the bank can earn anything, either of which can and ought to be the case, the plan offers a sound investment for those putting up the new funds, and a strong possibility for the old depositors to realize something on their claims, depending almost wholly on the success of the new enterprise."

COLORED CITIZENS SUBSCRIBE \$18,000

The sum of \$18,000 has already

been subscribed by prominent colored citizens toward establishment of the bank, says the attorney, and it is believed that the balance of the \$50,000 will be secured. Following are those who have already subscribed to the new holding company: J. C. Anderson, John Berry, O. M. Blount, William Carpenter, John Crim, J. L. Derry, Frank P. Garner, S. S. John, C. M. Johnson, W. P. Kagle, J. H. Kennerly, Clinton Mack, W. R. Mack, H. R. Mathis, J. S. Outear, L. P. Sanders, H. T. Singleton, John Strother, J. I. Sturkey, D. F. Thompson, T. J. Walker, Clarence S. Wigfall, W. H. Wilburn and Handy Wright.

Banks - 1928

Wage Earners Directors Sued

Charge With Responsibility of Bad Investments

The state superintendent of banks has entered suit against the directors of the Wage Earners Savings bank for more than a hundred thousand dollars, the amount claimed lost by the bank from bad investments. The directors are also prevented from in any manner disposing of or encumbering their property, pending the outcome of this suit which is scheduled May 28 and June 1.

Journal
5-3-28

SUIT ALLEGES FRAUD IN NEGRO BANK CASE

Savannah, Ga., May 7.—(P)—Further entanglements in the affairs of the Wage Earners' Savings bank, negro financial institution that recently failed with \$900,000 in deposits, were brought up today when A. B. Mobley, state superintendent of banks, filed suit in equity in superior court against L. W. Williams, negro president of the bank, and others, seeking to cancel and set aside certain realty transfers on which a lien is claimed.

Consolidated
5-8-28
Atlanta

It is alleged by the state superintendent that certain realty was transferred by Williams to the other defendants for \$10 on March 19, 1928, after the bank failed. The papers were filed for record on that date, although they gave the year 1926 as the date of execution. The transfer of this property was without valuable consideration and was a fraudulent scheme to defeat the interests of the depositors, it is alleged.

MEETING LARGELY ATTENDED BY DEPOSITORS

A meeting of the depositors of the Savannah Savings and Real Estate Corporation was held Friday night in the Dunbar Theatre. The theatre was crowded to capacity and a heart to heart talk was had for the purpose of taking such steps as would insure the payment of the depositors in full.

The president, Walter S. Scott, called the meeting to order after prayer was offered by Rev. D. Canty.

The president stated the unusual situation caused by the closing of a neighbor institution together with the attendant publicity of certain transactions had unduly alarmed the public generally which was reflected in the large amount of demands for withdrawals by some depositors. He stated that with the total deposits of the Savannah Savings being less than \$300,000.00 written notices had been received by the institution for more than \$90,000.00 in withdrawals which demands could not be met in cash; if the depositors would agree to accept annual installments of their money on deposit with interest he believed every dollar deposited could be paid and the institution would be saved for further use in the community. He also stated that the white banks of the city had expressed a desire to see the Savannah Savings continue in business as well as the white people of the city generally and it was now up to the depositors of the Savannah Savings to take such steps as would keep the institution alive.

Journal
5-12-28
Savannah

and make it possible for them to receive 100 cents on the dollar for their deposits. He further stated that the a penny and already the improvement in business has been felt by the institution as a number of new accounts would co-operate with the officers and have been opened and its business is resuming a normal aspect. It was also made clear that several years would elapse before a payment could be made as this things commencing May 5th would be

was the usual time with other forced subject to immediate withdrawal and liquidations made here. With the all such funds would be kept ready for any demand of the depositors. Steps are being taken to carry out the purpose of the resolution and every day a number of depositors are calling at the banking rooms and signing the agreement. The first payment under the agreement will be made July 1, 1929, and one payment after a long discussion by numerous depositors present, with not a dissenting voice, it was adopted. The resolution follows:

The resolution was then read and made July 1, 1929, and one payment after a long discussion by numerous depositors present, with not a dissenting voice, it was adopted. The resolution follows:

RESOLVED by the depositors and certificate holders of the Savannah Savings and Real Estate Corporation made in Savannah that all of the payments will be made in less time than ten years. As most of the loans of the Savannah Savings are made on a going concern basis the payments made in the agreement can be met without assets to be taken in charge of a receiver or trustee whose duty it would be to liquidate these will necessarily be to liquidate speedily help to increase the payments. The depositors are to be congratulated upon the satisfactory arrangement now being entered into which will be the means of a Negro bank continuing to operate in this city and at the same time each depositor will get every dollar of his deposit.

RESOLVED further that said corporation prepare and submit to each depositor and certificate holder for continuing to operate in this city and at the same time each depositor will get every dollar of his deposit. Thursday, April 5th, at 11 o'clock a. m., the depositors and other creditors of the Penny Loan and Investment Company will have a meeting in the court room of the city court at the west end of the court house of Richmond County, Augusta, Ga., at which time they will prove their claims, appoint a trustee, examine or question the officials and transact whatever business as may properly come before them.

You will find a notice elsewhere on this page of the Augusta News of the Penny Loan and Investment Company Bankrupt Meeting. This circular notice was mailed out to the depositors. If you had money in the bank and did not get one, you should have. So the notice published in the paper applies to all depositors. You should take your book to the Penny Bank Building, corner of Ninth and Gwinnett Streets. It is not necessary to go to Broad Street as mentioned in the circular notice sent out, and as published in this paper, as you will quite often have to come back to the bank. So it is better to go there to start with. All depositors should do this as soon as possible and should attend the meeting at the court house Thursday, April 5th, 1928. The sooner the depositors do their duty the less expense it will be in liquidating the affairs of the company and more money will be left for them. Quicker the work is done the better it is for all concerned.

Augusta
5-3-28

lar notice sent out, and as published in this paper, as you will quite often have to come back to the bank. So it is better to go there to start with. All depositors should do this as soon as possible and should attend the meeting at the court house Thursday, April 5th, 1928. The sooner the depositors do their duty the less expense it will be in liquidating the affairs of the company and more money will be left for them. Quicker the work is done the better it is for all concerned.

If you had money in the Penny Loan Investment Company take your book down there at once. Some one will be there to give you the necessary information and wait on you.

Colored Bank Officers are Being Sued

Savannah, Ga., May 1.—A. B. Mobley, state bank examiner, has filed a suit against the directors of the Wage Earners Bank, a colored financial institution, that recently failed. He alleges that the directors owe the creditors and depositors more than \$227,000.

It is declared that the directors made loans contrary to the law and committed other transgressions. Lending money to organizations which were actively in charge of the directors of the bank is alleged as are other things not according to the banking laws.

The Wage Earners bank was one of the largest colored banks in the south and was looked upon as a model bank of its kind.

Depositors Are Offered Plan

SAVANNAH SAVINGS BANK AND LOAN COMPANY

By Savannah Savings and Real Estate Corp.

10 PER CENT PAYMENTS

Stretched Over A Period of Ten Years

The directors of the Savannah Savings and Real Estate Corporation held a meeting of the depositors at the DuBar theatre last Friday night and placed before them the advisability of accepting certificates of deposits for their funds on the ten year basis at the rate of 10 per cent each year in order to enable the institution to work out of the unusual crisis brought about by the closing of other Negro banks of the city. These caused unrest and unsettled conditions which needed cooperative and conservative efforts to safeguard the interest of the depositors.

A detailed statement was made showing the assets of the corporation to be fully sufficient to meet all liabilities if time is given to realize on the loans and investments. The president, Walter S. Scott, stated that all funds had been conservatively loaned and that the operating expenses of the bank had been kept at the minimum nor had any excessive loans been made to anyone. He explained the acute situation caused by the closing of the oldest Negro bank in the city and the subsequent developments which naturally caused undue alarm and unreasonable demands to be made upon Savannah Savings bank. He further stated that if the depositors would be considerate and allow the officers time the situation could easily be worked out and no depositor would lose anything.

Resolutions were unanimously passed permitting the directors to issue certificates on all accounts in ten equal installments pay 1. 1929, and each year thereafter the full amount is paid. Certificates will draw 4 per cent. The bank will resume its normal business and all now on will be paid on demand.

Immediately following the closing of the Wage Earners Savings Bank, March 2, 1928, the Savannah Savings Bank and Loan Company put on what we call the sixty-day clause, which meant no depositor could draw out his or her money within sixty days from date of demand, that is to say every depositor, it made no difference what their needs may be, would have to give the bank two months' notice before they could get their money, or any part of it.

The public understood that the bank put on the sixty-day clause March 2 and it was up May 2 automatically. The public did not know that the sixty days ran from the date of their demand, and not from March 2nd. But many poor depositors found out, to their bitter regret, when they called for their money.

But the bank met the depositors May 3 with an eleven-year clause instead of a sixty-day clause, according to a news item appearing in the Savannah Morning News Saturday morning.

The bank made this startling proposition in a stockholders' meeting Friday night and a majority of those present voted to accept it.

The bank proposed, beginning July 1, 1929, to pay the depositors 10 per cent of their deposits and 10 per cent annually until each depositor was paid off in full. Under this scheme of financing, it would take eleven years, instead of sixty days for the bank to pay off. The depositors are to take time certificates bearing 4 per cent per annum covering a period of eleven years—first installment falling due July 1, 1929. All new depositors and all the new money put in the bank to be paid on demand.

It is argued that the bank is not able to meet its demands, and is calling upon all old depositors to loan it their funds which have been tied up under the sixty-day clause for two months. This proposition is not compulsory or binding on any depositor, except those who sign and accept the eleven-year certificates. Those who do not accept the certificates have a perfect right to demand their money under the sixty-day notice clause, and the bank will commit an act of bankruptcy every time it fails or refuses to pay.

A bank or any other institution that can not meet its obligations is insolvent, and ought to close its doors. If this bank wants to be fair and prove to the depositors that it will make good, if given a chance, let it call the depositors together, lay its securities on the table, and let a committee of the depositors, appointed by them, examine them so they can see what character of stuff their money is invested in, and to what extent the bank's securities are hypothecated. The depositors ought to know whether the bank is solvent, or a hopeless wreck like the Wage Earners, before they sign away their money under an eleven-year clause. This is no day for taking men's words in business transactions. This is an age of "Show Me, Sir!"

There is entirely too much manipulating and reckless investing of the depositors' money by selfish and unscrupulous bankers, white and black. Ignorance and dishonesty are wrecking too many of our banking institutions, and trust funds have become the idle jest of the speculator. Our secret orders are losing too much money by bank failures.

We hardly think it necessary, but let us, as a double precaution, warn the officers of the Knights of Pythias of Georgia not to sign the Savannah Savings Bank and Loan Company's eleven-year certificate. Let the proposition come along to the Grand Lodge at Columbus in July. Grand Officers, don't take the responsibility for the race's sake and nobody else's sake—Be Warned!

SAVANNAH BANK CASE TERMINATES IN RECEIVERSHIP

Savannah Savings and Real Estate Corporation in Hands of Receiver—Depositors Enjoined from Interfering.

Monday of this week Mr. Valmore W. Lebay was appointed receiver for the Savannah Savings and Real Estate Corporation which was done for the purpose of protecting the assets of the corporation and saving the expense of defending suits filed by certain of its creditors.

It was necessary that this step be taken as a suit was filed by Curtis W. Bell in the City Court of Savannah last Thursday which would come to trial early in July and if judgment was rendered it would place him in the position of being a preferred creditor.

The order of Judge Barrett states: "Ordered further that pending the receivership, all Sheriffs, Marshals, creditors and all other persons be and they hereby are enjoined from interfering with the possession of the Receiver, and all persons holding in their possession real property or chattles of the above-named alleged bankrupt, to the possession, of which the Receiver is entitled, shall forthwith deliver such possession to the Receiver, and all persons are enjoined from in any manner instituting or prosecuting any action or suit against the Receiver and the alleged bankrupt without leave of this Court, and especially is Curtis W. Bell enjoined from prosecuting further that certain action or suit instituted by him against said alleged bankrupt in the City Court of Savannah to the July term, 1928, for \$1,661.36."

This action will prevent further suits being filed against the institution and will give time in which

some plan may be evolved which will protect the depositors of the institution. The corporation is insisting it is solvent and this issue will be heard at the next term of the court.—Savannah Journal.

Banks-1928

NEWS CHICAGO, ILL.

JAN 14 1928

FROM THE NEGRO'S POINT OF VIEW

BY CHANDLER OWEN,
COLORED BANKS.

The Negro's 1927 Christmas festivities were rudely interrupted and abruptly ended by the news of the failure of one of his oldest banks—the Fraternal and Solvent Savings bank of Memphis, Tenn. Within the last decade one-half of the Negro's sixty banks have closed their doors. Readers of this column have asked me to explain the reason for so much failure at a time when Negroes are richer, receive higher wages, are better educated and more efficiently organized than ever before. Is it not an indictment of our business men and our training? they ask.

While I have nowhere seen it stated, my observation is that what is considered a source of strength in the average Negro bank is actually its chief weakness. I refer to the Christmas savings fund. For instance, nearly every Negro bank which has failed has done so between Dec. 28 and Feb. 10, immediately or shortly after the withdrawal of Christmas savings. This is only natural, for the average person carries a Christmas savings fund in order to have money at yuletide with which to purchase presents.

Spent Beyond Field.

Presents, however, are usually of the department store variety—jewelry, fine toilet goods, confections and all sorts of articles of clothing. The Negro has few businesses dealing in such products, his business being largely of the sumptuary variety—small restaurants, delicatessens, drug stores, shoe shine parlors, barber shops, beauty parlors, pool halls, cleaning and pressing shops. As a result, the Negro savings depositor withdraws his money from the Negro bank at Christmas, goes into what, for convenience, we will term "the loop district" of every city and purchases his goods from the white merchant. The white merchant takes the money and places it in his white bank and it is there for a long time before that money gets back as wages into the Negro institution. If some one should ask why the white bank is not affected the same way, the answer is

that when the white depositor withdraws his money from the white bank and spends the money for merchandise, the white merchant returns the money to the white bank daily.

Chicago fortunately has the strongest colored financial institutions in the country. It is sound policy not to appraise banks before they are twenty years old, so I shall confine my reference to the Binga State bank. This bank has at present 25,000 depositors—2,000 commercial and 23,000 savings. It has grown from \$270,000 total assets to \$2,000,000. Its help has increased from three to twenty-three. On account of the good business ability of Jesse Binga and his board of directors, the bank has moved from a small place to one of the most modern bank buildings in the city. It paid out Christmas savings to the amount of \$75,000. The young men and women employed in the institution come from such colleges as Fisk, Howard, Atlanta, Michigan and Oberlin. The cashier, Carroll Napln Langston, was born in St. Louis, Mo., graduated from Oberlin college in 1903, after which he went to Nashville and helped Mr. J. C. Napier organize and open a one-cent savings bank in which he went from teller to assistant cashier. When President Taft appointed Mr. Napier registrar of the treasury, Langston became acting cashier. In 1920 he came to Chicago to help in the reorganization of the Binga bank to a state bank. Here he has remained.

Success Is Gratifying.

It is gratifying at this period of financial distress to be able to record the success of this splendid colored bank, which holds rank comparable with that of large financial institutions in the loop.

DOUGLASS NATIONAL BANK DECLARES DIVIDEND

holders since 1925 on a regular 6% basis. The assets of the institution are now well over \$2,000,000.

The Board of Directors of the Douglass National Bank at the regular December meeting, declared a 6% dividend on the stock of the Douglass National Bank. This means that every one of the 600 persons who are stockholders in this wonderful institution.

The Douglass National Bank, of which Anthony Overton is the president, is the only National bank owned and controlled entirely by colored people. It has been paying dividends to its stock-

Illinois.

Banks-1928.

TIMES
INDIANAPOLIS, IND.

NOV 6 1928

BANK WILL BE ORGANIZED FOR CITY NEGROES

Chicago Man Is at Head of
Movement; Capital to
Be \$50,000.

An industrial bank, modeled along the lines of the Inter-City Finance Corporation banks of St. Louis, Tulsa and Oakland, Cal., is being formed here.

According to leaders of the movement, the bank will be the first of its kind owned and controlled by Negroes in this city. The bank is to be capitalized at \$50,000. It is said at least one successful business woman may be named to the directorate.

Indianapolis has no Negro bank. Leaders say at least one bank here handles more than a million dollars of Negro funds. The Negro bank, it is said, will offer training and experience to qualified workers and also will aid a large number of industrial borrowers.

J. J. Allen, of Chicago, president of the Allen System of banks, said, "I have established three Negro banks in four years, one with a capital of \$100,000. A survey shows there are 65,000 Negroes in this city, with several million dollars of assets. I am pleased with the support I have received from those who see the need of a Negro bank in this community."

Willis Is Treasurer

According to announcements, Lucas B. Willis, a local business man, has been named temporary treasurer. Pending selection of a banking site, all money collected immediately will be deposited with the Fletcher Savings and Trust Company, officials said.

Funeral services for Mrs. Beulah Price were held Monday afternoon at the home, 2817 Boulevard place. The Rev. R. L. Pope and the Rev. H. L. Herod officiated. Burial was in Crown Hill cemetery.

She is survived by her husband, Walter Price, principal of school No. 40. Mrs. Price died Friday night in her 59th year. She moved to Indi-

anapolis about forty-seven years ago, and formerly was principal of school No. 40 and at her death was principal of school No. 87.

The Kentucky and Ohio annual conference is to convene in sixtieth session Wednesday morning at the Phillips temple, Drake and West streets. The Rev. A. J. Norris is pastor.

The conference will open with sacrament service. The welcoming program Wednesday night will include special music and addresses by prominent speakers. Bishop C. H. Phillips will respond.

Revivals to Be Held

The Rev. J. D. Johnson, pastor of the Metropolitan Baptist church, Thirteenth and Missouri streets, announces a series of revival meetings starting Sunday, Nov. 10. The meetings will close Nov. 24.

"Jim and Jerry," a health play, and a movie will be the first of a series of health programs given under auspices of the general educational department of the Phyllis Wheatley branch Wednesday night, Nov. 14.

The health department will present a program every second Wednesday in each month. Next meeting of the health educational committee will be at the building Thursday morning, Nov. 15.

"Personality and Business" will be

the subject at the last meeting of the Business Comrades' Club Monday night, Nov. 15. The topic will be led by Mrs. Lucy Williams. The club was organized recently.

A bunco party will be given by the Professional and Business Women's Club at Walker casino Tuesday night, Nov. 13.

Big Meetings Opened

First of a series of monster meetings at the Y. M. C. A. was opened Sunday by Dr. Mordecai Johnson, president of Howard university. This is the twenty-third season of the "Y" meetings and the eighth consecutive appearance of Dr. Johnson. The session Sunday was attended by the largest crowd in the history of Dr. Johnson's visits.

The evangelistic campaign conducted at Mt. Paran Baptist church by the Rev. J. R. Bowen of Chattanooga was a success, according to officials. Thirty-five additions were made to the church membership. Baptism will be completed next Sunday.

A thanksgiving program under auspices of the Sisters of Help and company C of the Mt. Paran Baptist church is planned, according to the pastor, the Rev. C. H. Bell.

The Blue Triangle Club will give a miscellaneous shower tonight at the home of Miss Martha Dunville, honoring Miss Bertie Barnett, a recent bride.

A special meeting of the Indianapolis Racket Club will be held tonight at the Y. M. C. A. Robert Marbury is president.

STAR
INDIANAPOLIS, IND.

NEW INDUSTRIAL BANK WILL BE STARTED HERE

A new industrial bank similar to the Inter-City Finance Corporation banks of St. Louis, Mo.; Tulsa, Okla., and Oakland, Cal., is being planned here.

The bank will be owned and controlled by Negroes in this city. It is the first bank of this kind to be organized here and will be capitalized at \$50,000.

It is said that this bank not only will offer training and experience to qualified workers, but will offer financial aid to a large number of industrial borrowers.

J. J. Allen is president of the Allen system of banks. All money collected, pending selection of a banking site, will be deposited at the Fletcher Savings and Trust Company, officials said. Louis B. Willis has been named temporary treasurer.

Indiana.

Banks-1928

ANOTHER NEGRO BANK IS CLOSED AFTER RUN

Memphis Failure Forces Delta Penny Savings to Close.

DEPOSITS OF \$260,000

Indianola Institution Unable to Stand Run Caused By Rumor. More Arrests Are Expected As Local Investigation Continues.

A run on the Delta Penny Savings Bank of Indianola caused by reports that it had large deposits in the Fraternal & Solvent Savings Bank & Trust Company caused the Mississippi State banking department to order the institution to close its doors yesterday morning, according to dispatches from the Sunflower town.

Assets of the Mississippi bank, which was established in 1904 under the exclusive control and management of negroes, include a great deal of frozen funds. It is understood that it had about \$40,000 deposited with the Memphis negro bank which closed its doors last Thursday.

The Delta Penny Bank had on deposit upward of \$260,000. The number of depositors had not been learned yesterday. Depositors are protected under the guaranty banking law and will be paid four per cent on their deposits.

Attorney Was Here.

This week an attorney representing the Delta Penny Bank was in Memphis going over records of the Fraternal & Solvent Bank with state examiners I. H. Wilson, J. F. Hunt and C. E. McFarland.

Fearing that the Mississippi bank would be affected by the failure here some local and a good many outside depositors of the Delta Penny bank began a run, and it reached such proportions yesterday that the closing of the doors became imperative.

"Shucks, now it's done failed," said a negro woman at the Fraternal & Solvent Bank said. "I've lost everything I had now." She had been among the depositors of both institutions.

Grilling Continues.

Locally there were few new developments Wednesday. Assistant Attorney General William E. Gerber and bank examiners continued their investigation into the bank's records assisted by stenographers and experienced bank investigators.

Several negro employees were grilled relative to discrepancy in the records.

Aside from the statement made Tuesday that the shortage of A. F. Ward, president, would run from \$250,000 to \$300,000, Mr. Gerber had nothing to report yesterday.

Ward, Dr. J. E. Walker, first vice president, L. W. Williams, assistant cashier and E. J. Rasberry, teller have been arrested since the investigation began. Walker is free under \$10,000 bond. The others are yet in jail.

More arrests are expected by the investigators, but the records are in such shape that it is impossible to tell when the additional arrests will be made.

RUN CAUSED FAILURE.

Delta Penny Bank Was Established 23 Years Ago.

INDIANOLA, Miss., Jan. 4.—The doors of the Delta Penny Savings Bank of this place were closed this morning about 10 o'clock under the direction of the state banking department. The cause seems to have been frozen assets, and a run on the institution resulting from statements that the bank had large deposits in the Fraternal and Solvent Bank and Trust Company recently closed in Memphis. Fearing that this institution would be affected by the closing of the Memphis bank some local, and especially outside depositors, began a run, and it reached such proportions today that the closing of doors became imperative.

The Delta Penny Savings Bank was established in 1904, and was under the exclusive control and management of negroes. The extent of the loss cannot as yet be ascertained, nor has the number of depositors been learned.

There was on deposit in the institution upward of \$250,000. All depositors are protected under the guaranty banking law, and will be paid 4 per cent on their deposits.

PLAN NEW BANK FOR MISSISSIPPI

INDIANOLA, Miss., Jan. 18 (AP)—That the failure of the Delta Penny Savings Bank, here last week

did not destroy the confidence of Negroes in a Negro bank, was evidenced here Tuesday when plans

were launched by a group of leading citizens to organize a new bank, which would take over the deposits of the defunct bank as well as all liabilities and certain securities of the old bank.

RECEIVER CONFIRMED FOR INDIANOLA BANK

Insolvent Negro Institution Is Placed in Liquidation.

INDIANOLA, Miss., Jan. 10.—The chancery court of Sunflower County has placed the Delta Penny Savings Bank of Indianola in liquidation and has confirmed the appointment of Forrest G. Cooper as liquidating agent, which appointment was made by J. S. Love, state superintendent of banks. The examiners and auditors are still checking and auditing the affairs of this bank, which is a local negro institution, owned and managed by negroes.

The local negroes, aided and encouraged by the white citizens of Indianola, are making an effort to organize a new negro banking institution. If organized it plans to take over all depositors' liabilities in the old institution and certain of the securities of the former bank.

There are nearly 1,500 depositors, having a total of about \$260,000 on deposit. It is not known yet definitely the exact status of the local bank which failed and the Fraternal & Solvent Savings Bank & Trust Co., which failed in Memphis, but it is not thought that the local bank will lose anything by the failure of the Memphis negro bank.

Miss. Negro Bank Has Big Success

LEXINGTON, Miss., Jan. 18.—(Special)—Another successful year has been concluded by the Lexington Colored National Farm Loan Association, when 100 members attended the annual meeting for a review of business and election of officers.

R. H. Morris of West was named president, with C. C. Richardson of Howard, vice president, and L. D. Anderson of Lexington, secretary-treasurer. Members of the loan committee are S. C. Cooper of Lexington, J. H. Montgomery of Durham, H. Howard of Lexington, with J. B. Spurdin, James Cage and W. B. Brooks as alternate members.

The association has a membership of 135, and has placed thousands of dollars of government money among the colored land owners of the county. It has a long record of successful operation and this has had much to do with the prosperous and stable conditions of Negro farmers.

Mississippi

Canton, Miss., Herald

LAST NEGRO BANK IN STATE FAILS

Banking Department Takes Over \$260,000 Institution in Indianola

The last negro bank in Mississippi has gone to the wall.

With the closing of the Delta Penny Savings Bank of Indianola, the last banking institution owned and managed by colored men for colored people is extinct.

With a capital stock of \$25,000 and deposits of more than \$260,00, the bank was forced to close its doors when depositors engaged in a heavy run on its funds.

Affiliation with the Fraternal and Solvent Bank and Trust Company, of Memphis, which failed recently, caused depositors of the Indianola bank to become uneasy and they commenced to withdraw their accounts.

It was announced by J. S. Love, state superintendent of banks, that the banking department had taken over the institution.

It is not probable that a reorganization will be possible, Mr. Love thinks.

MORE ARRESTS NEAR IN NEGRO BANK CRASH

Investigate Exchanges With Bank in Mississippi.

WALKER OUT ON BOND

List of Missing Securities Continues to Grow as Examiners Delve Into the Institution's Tangled Affairs.

Interlocking financial negotiations which may cause serious trouble to a negro bank in Mississippi, the arrest of Dr. J. E. Walker, first vice

president, and discovery of a rapidly growing list of misplaced or missing securities and irregular transactions, developed yesterday as state bank examiners continued efforts to unravel the tangled skein of events which led to the closing Thursday night of the negro Solvent & Fraternal Bank & Trust Company.

That future revelations will lead to additional arrests is the opinion of Examiners I. H. Wilson, J. F. Hunt and C. E. McFarland, whose efforts Friday night led to the confessions of A. F. Ward and Leroy W. Williams, who were docketed at 2:30 Saturday morning on charges of embezzlement.

Ward's Ledger Checked.

The main course of investigation Saturday was through the expense check ledger of the bank, which was kept personally by Ward. The stubs of several checks of considerable size were revelations to officers and employees of the bank other than the ones already involved.

One expense item covered by check stub No. 236, drawn Dec. 28, the day before the bank crashed, in favor of Wayman Wilkerson, a director of the bank, is explained as "attorney fee, telegrams, legal services and long distance phones in connection with securing loan from National Benefit." The amount of the check was \$600 and the insurance company referred to is located in Washington and made a loan of \$40,000 to the Solvent Bank one week prior to its failure. Wilkerson is chief lieutenant of Bob Church, negro politician.

Other stub items listed the withdrawal of \$13,000 in checks of \$2,500, \$2,000 and \$1,000 denominations in favor of the Delta Penny Savings Bank at Indianola, Miss., also a negro institution. The checks were stub-recorded "for deposit" and all drawn between Dec. 10 and 17.

An attorney from Mississippi in checking up negotiations between the two institutions Saturday morning in collaboration with the Tennessee examiners stated that so far as he could find such an operation came under the head of "kiting," although drafts received at the Indianola bank will not reconcile perfectly with checks drawn by Ward for deposit there. The dates, however, are practically the same throughout the week's record.

Walker Released on Bond.

Walker was arrested at the office of the Universal Life Insurance Company and was docketed on a charge of grand larceny of \$20,000 in first mortgage notes, examiners alleging that the day the bank failed he gave his check to cover receipt of that collateral plus \$6,000 in cash which he had on deposit.

Late Saturday afternoon, following a meeting of the Life Insurance Company executives, of which Walker is the president, he was released on bond of \$10,000, signed by

Tennie Thomas and J. B. Martin. The life insurance company officials issued a statement in which they set forth their confidence in their officials. M. W. Bonner, secretary of the insurance company was questioned by investigators but later allowed to return to his office.

To just what extent the misappropriation of funds by Walker, Williams and others will go is not known at the present time and possibly will not be for several days. The condition of bank records and fact that in many instances they are missing entirely is making the investigation extremely difficult.

The Solvent Bank was closed Thursday night following a conference between its officers and directors and members of the state department. Friday morning with Examiners Wilson, Hunt and McFarland in charge, the investigation was started.

Some Missing Papers Found.

Mr. Wilson in checking an irregularity in an account with Williams, the assistant cashier, called upon him to produce a \$2,000 check which was missing. Williams left the bank and was gone a considerable length of time so the examiners communicated with detective headquarters and Detective Lieutenant Granville Heckle with Sergeant Miller and Examiner Hunt rushed to the home of Williams, feeling certain that something was wrong. They found Williams rushing to his car which was parked about a block from the house.

After detaining the negro they went to his residence, where they found missing bank papers and the evidence in clothing and furnishings of an expenditure during the last several months which would have required an income of at least \$1,000 per month.

Taking Williams to the bank and confronting him with Ward, the president, Examiners Wilson and Hunt put them both through a grilling assisted by C. P. J. Mooney and William Gerber of the solicitor general's office and Attorney John Vorder Brugge of the state banking department. Early Saturday morning both confessed to shortages totalling \$50,000, the majority against Ward.

Neither Ward nor Williams have had any desire for freedom, fearing for safety among members of their race.

Routine work of delving into records, checking collateral and securities of all kinds is now going on with an experienced crew of clerks and stenographers, who have found almost steady employment in Memphis under Wilson, Hunt and McFarland.

The Solvent and Fraternal Bank and Trust Company, which failing listed as assets more than \$1,250,000, with more than \$800,000 out on loans and it was at first thought that this condition was solely responsible for its failure. 1-1-28

Bob Church, who last week borrowed \$50,000 and put it in the bank in an effort to prevent the failure, yesterday was reported to have raised \$150,000 from outside interests and to have submitted his offer for re-organization to bank examiners. They had nothing to say on this score yesterday.

Banks - 1928

A GOOD BUSINESS BEGINNING

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The Peoples Finance Corporation of Kansas City has issued a statement of its first year's business. It shows over \$80,000 of assets, and a profit made. All about us, banks have been failing for the past few years, and in recent weeks two race banks in the South have also gone under. "Frozen" assets accounts for the most of them. Their failure indicates what difficulties the Peoples Corporation has surmounted, to be able to pay a dividend out of earnings.

Most businesses are failures, according to the United States commerce experts. That is to say they do not earn a dividend. With these the conditions in general, Negro business has much reason to doubt itself. Business among us has no royal road to success. Good intention are not enough, and many a failure has its excuses. Profit is for those who think and work, and keep everlastingly at it. We are glad that our own city and our own group have this happy augury for the new year, contained in the report of the Peoples Finance Corporation.

ORGANIZATION OF A BANK GETS UNDER WAY

The Board of Directors of the Peoples Finance Corporation at its January meeting last Friday offered its full support toward the Establishment of a bank in St. Louis and Geo. W. Buckner was selected to manage a campaign to put over the new institution.

The Capital of the new bank will be \$200,000 and \$40,000 Surplus. The Establishment of a commercial bank to serve every need of the citizens has been slowly growing in the minds of many prominent citizens of St. Louis for a long time, and according to present plans the bank will become a member of Federal Reserve System and the St. Louis Clearing House Association.

In discussing the matter, Mr. Buckner was very enthusiastic over the outlook, and predicted that the project would be put over in a short time.

The bank will be entirely separate from the Peoples Finance Corporation and will render a distinct service to the public.

Missouri

A NEGRO BANK

A group of public spirited colored citizens are making preparations to launch a campaign to raise \$240,000 capital and surplus for the purpose of opening a bank in the city to be owned and operated by Negroes.

This effort on their part should be heartily supported by all the people because its success will mean more to the Negroes of the City and State in a business and financial way than anything else which is likely to be done in the near future.

A bank, as we know, is the highest expression of business and finance. And any group of men and women in this city, who have the vision and the confidence in their fellowmen and women to make a sacrifice of time and the use of their money in order to make it possible for the ownership of a bank to be ours, we say they should be encouraged in every possible way.

We cannot imagine anything that would inspire the youths of the Race more than seeing members of their own group doing a general banking business. It certainly would encourage the habit of thrift and industry in many of the older ones as nothing has done before.

Surely the time is ripe for this forward step in the business world. The principal promoters of this new institution should lose no time with the "doubting Thomases," but keep the goal constantly before them and success is theirs. Confidence in themselves and in their fellowmen will do it.

Surely, there must be a sense of satisfaction, a kind of race pride which comes to those who labor unselfishly for the advancement of the whole in a big way. Who are there amongst us who would not regard it an honor, yea, a cherished honor, to be one of those who made it possible for the first Negro bank in this city?

It looks to us as though the project is going over in a big way. Therefore, let us all join in and help hasten the day for the opening of a Negro bank in the City of St. Louis.

Banks-1928

OUR BANKERS MEET

THE annual meeting of the National Negro Bankers' Association held at Louisville, Ky., last week, should receive the earnest consideration of every loyal member of the race throughout the country. For this body of our solid financiers, unheralded by din or fan-fare, means more to the present and future of the Negro race in America than possibly all of the other agencies concerned with the progress and welfare of our group combined. The program of their sessions were systematically planned, specialized, constructive, direct and decorously carried out. The personnel of the body was representative, dignified, and creditable.

The greatest weakness of the Negro race today is its lack of thrift, is in lack of the unification of its finances. A group without great money power will always prove mediocre, will always be weak, will always be the underdog in the economic struggle.

This is the age of big business, big mergers, stupendous undertakings in the commercial world. With most of our business enterprises just emerging from their swaddling clothes, to rival and battle against long established and experienced competition; with the enterprising home-owners and home-builders being imperiled by lack of capital, impossibility of securing or renewing loans; with millions of dollars being frittered away annually in pastimes and pleasures; with industrial and economic barriers being erected against the Negro every day in all parts of the country; with the facts of his forced isolation from other groups and the realization that he must work out his own problems and overcome and conquer his hazards himself, the Negro needs a strong, trained arm at the wheel to pilot him safely into the port of his dreams.

Our bankers are not dreamers, but trained masters of finance. They have vision, keen and calculating, they have knowledge and they have power. They have studiously thought out and developed methods that mean financial independence and consequent respect, glory and power for the race. They are trying to solve a problem that is of great importance to the race—and its gravest. Their reports—seventy Negro banks with resources of over \$30,000,000—should inspire confidence in their business acumen and gain and hold for them the place of foremost leadership in things appertaining to our substantial progress, our security, our growth and sound footings economically.

Since the failure of the Freedman's Bank in 1873 and a few subsequent failures of banking institutions due to the exigencies and ordinary risks of that business, our bankers are more efficient and use every available method extant to safeguard their depositors, clients and patrons. They adopt the newest systems in banking, comply to the letter of the law of state and federal supervision and equal the banking houses of any other group in efficiency of administration.

Their enterprise is a bid for your support and patronage that merits your help not alone for the services rendered the respective communities, but also for the prestige it gives the race at home and abroad. One well supported bank in a community will bespeak your real worth in more stentorian tones than a dozen orators.

National Negro Bankers Association

Money power has made the Jews great the world over; only money power will do the same for the Negro.

The race has followed visionairies, exploiters and the unscrupulous. Our bankers are men of high standing in their own communities and throughout our land. They have interested themselves in us and our problems. If we would get out of the wilderness of confusion we must follow them out of the forests of illusions, of chaos, of indifference.

Every Negro leader should be an evangel preaching the gospel of thrift and holding up our own bankers as the true exponents that they are of the practical way, the sensible way, the only way of holding our own in this competitive age of the survival of the fittest, and fitness today in this country means only financial fitness, for whether it is to our liking or not, it is nevertheless, true, money is the American measure of success.

Let the 12,000,000 American Negroes awake from their indifference, let them become enthused over the romance of our bankers to the extent that every boy, every girl, every woman, and every man will become informed as to the relation sustained by our banks to our destiny and inspired thereby to give enthusiastically of their good will and patronage to these institutions vitally interested in their progress.

Ordinary banks are private enterprises for private gain, but the mission of Negro banks is as important, as imperative, as constructive as the church or school. Within the next few years the status of the Negro will be determined by what he actually has rather than what he appears to have. Man power and brain power minus money power are futile and hopeless. Let everyone forthwith rally to the support of our own banks.

Field agents, white and colored, whose duties are to solicit and obtain funds for welfare and educational institutions for Negroes report difficult times in endeavoring to fill their respective budgets. The trouble seems to be that the colored brother himself has not preserved his better impulses. Too often have the graduates of these institutions or the beneficiaries of these welfare or social agencies strayed away from the high ideals and standards inculcated in these institutions. Too often are they found as followers in the camps of political renegades. Too often they fail in turn to render to their own people the service rendered them by these people of better impulses.

Since the Negro has come north in large numbers, his benefactors have had a chance to study him at close range. His defects are very apparent. He does not have enough influence, will, or desire to shape or influence the trend of his people to any great extent in his community. He has proven in many instances a poor investment for the men and women of better impulses.

The crying need of the race today is of a leadership with "better impulses" and for followers of the same brand. If these are not in evidence very soon, we are afraid even those well-disposed Anglo-Saxons that

have preserved their better impulses and directed them toward us will soon tire and fail us. Some one on our side of the fence will do well to stir up our better impulses to the end that we may again restore ourselves into the good graces of our benefactors.

"SAFE, SANE AND SOUND BANKING BUSINESS" BIG AIM OF ASSOCIATION

Bankers Delve Into Problems and Plan For Greater Capacity and Efficiency;

Officers Re-elected

REPRESENT \$30,000,000 IN RESOURCES

By FLOYD J. CALVIN

(Special to The Pittsburgh Courier)

LOUISVILLE, Ky., Sept. 20.—Confidence in the capacity and efficiency of Negroes to conduct a safe, sane and sound banking business was the keynote of the third annual meeting of the National Negro Bankers' Association which met in the Mammoth Life Insurance Company building, 422 South Sixth street, last Wednesday morning. Henry Allen Boyd, president of the Citizens Bank and Trust Company, Nashville, Tenn., and first vice president of the association, acted as temporary chairman in the absence of Major Wright, who was delayed in arriving. "We are here," said Mr. Boyd, in his opening address, to delve into and try to solve to be responsible for the management of the problems that confront us as the individual banks in any way, but will give information and the capital of the stockholders, and advice to all member banks. The greatest gospel outside that of the lowly Nazarene is to teach the Negro what to do with the dollar after he makes it. Confidence in the banks and our greatest problem is to merit that confidence and trust imposed in us."

Major Wright immediately took charge of the meeting upon his arrival and in his opening remarks stressed the following points: safety of the banks and the education and character of the men running the banks should be improved; raise the standard of intelligence and character of the administrative officials of the banks; co-operation of the banks themselves in the establishment of a strong, central bank to which they can go in an emergency, but this bank is not

In introducing Jesse Binga, president of the Binga State Bank of Chicago, Major Wright said: "The Negro bank faces a condition, not a theory. I want Mr. Binga to tell us how he had succeeded in such a large way in Chicago. I feel sure the visiting bankers will benefit from his experience."

Mr. Binga spoke for thirty minutes on how he has built up the

largest State Bank in the country. His bank is a member of the American Bankers Association, Chicago Clearing House Association, and numerous other white banking organizations in which mere membership causes it to command extensive credit from strong white banks. He also told of how his bank has been instrumental in helping Chicago Negroes buy and finance first class real estate in the Windy City.

Reports from the treasurer, C. C. Spaulding of Durham, N. C., president of the Mechanics and Farmers Bank, and Wilson Lovett, secretary of the Association and president of the First Standard Bank of Louisville, were read and adopted. As a preface to his report Mr. Lovett extended a cordial welcome to the visiting bankers and assured them no pains had been spared to make their stay enjoyable. Reservations were made for the bankers at the Allen Hotel, 2516 West Madison street, which did not cost the visitors a penny, and arrangements for meals three times each day were made at the Y. W. C. A., Brown's Cafe, and the Allen Hotel, without cost to the delegates. All expenses for local entertaining were borne by the First Standard Bank with Wilson Lovett personally looking after the guest arrangements and the American Mutual Savings Bank, of which J. O. Blanton is president.

The next on program was a paper by C. C. Spaulding, on "The Present Situation of Negro Banks and What This Association Can Do To Improve Conditions." Mr. Spaulding stated he had recently examined the current statement of several of the Negro banks, and had found them all in good condition. He urged that the bankers give closer supervision to the conduct of their affairs, stating the public, by reason of recent failures, is more critical than ever at this time and is looking for any fears weaknesses which do not exist. "The only way for us to continue to hold the confidence of the public," he said, "is to be ever on the alert and see to it that our banks are constantly in good condition." In criticizing some of the recent failures he said practices had been permitted to go on over a period of time that, if checked at the beginning, would not have resulted in failure. "I tell our people," he continued, "that despite the failures, we should not spend all our time bemoaning the fact. White banks fail far more frequently than Negro banks and very little is heard of them. We are all human and subject to mistakes, and when a mistake is made we should not give up, but buckle down and overcome it." According to Mr. Spaulding's estimate, Negro bankers present at the meeting

represented over \$20,000,000 in invested capital and over \$8,000,000 in resources.

At the Wednesday afternoon session, the principal speaker was Richard Bean, white, president of the Louisville National Bank and Trust Company. Mr. Bean, representing the largest white bank in Louisville, gave a practical talk on banking based on his own experience in his own bank. (He told the colored bankers their problems were smaller scale. Immediately at the close of his talk the bankers voted their thanks for his sympathetic and helpful talk.

Following Mr. Bean was an address by Anthony Overton, president of the Douglas National Bank of Chicago, the only Negro National bank now in existence. Mr. Overton spoke on "What I Consider Our Most Serious Problems." In the course of his remarks, Mr. Overton gave the bankers an insight into the protection afforded all national banks by the Federal Reserve System, and also said his bank was in a position to raise instantly, through one of the other corporations of which he is president, more money than is on deposit in his bank, so he had double protection against any emergency. He also advised the bankers on the purchase of listed securities on the New York and Chicago stock exchanges as a method of keeping their assets liquid.

A round table discussion on "Improvement of Conditions" and "Our Most Serious Problems" was led by T. J. Walden, president of the Citizens Trust Company of Atlanta, Ga. Among those taking part in these discussions were W. D. Hawkins, president of the Peoples Bank and Trust Company, of Nashville, Tenn.; C. R. Yates, chairman of the board of directors of the Citizens Trust Company, of Atlanta, Ga.; F. T. Lane, manager of the Peoples Finance Corporation, of Kansas City, Mo.; T. K. Gibson, president of the Supreme Life and Casualty Company of Columbus, O., and Wajor Wright.

The only public session of the association was held Wednesday evening at Quinn Chapel A. M. E. Church, 916 West Chestnut street, with J. O. Blanton of the American Mutual Savings Bank presiding. Invocation was said by Rev. R. C. Henderson, pastor, and music was furnished by Mrs. J. F. Lane, soloist, accompanied by Mrs. Locke; Mrs. J. H. Walls, soloist, accompanied by Miss Nannie Boyd, and Mrs. Cora DeSha Barnett, accompanied by Miss Boyd. The visiting bankers were introduced by Henry Allen Boyd of Nashville. Those present, not mentioned above, were J. J. Allen, promoter of the Inter-City Finance Corporation, of Chicago; A. G. Lindsay, manager of the Peoples Finance Corporation of St. Louis; Henry Scott, manager of the real estate department of the Binga State Bank, Chicago; J. R. Ray cashier of the First Standard Bank of Louisville, Ky.; M. C. Clark, president, and H. J. Allen, of the Imperial Finance Corporation of Cincinnati; W. W. Spradling, vice president of the First Standard Bank of Louisville; J. A. Jackson, special business agent of the Department of Commerce, Washington, D. C., and Mrs. B. S. Etherly, director of the American Mutual Savings Bank of Louisville. Bishop George C. Clement delivered the welcome address, and response was made by Anthony Overton. Major Wright delivered his annual address, in which he told the audience 550 white banks failed last year without any flurry in the financial world. Jessa Binga and C. C. Spaulding both spoke, urging that the local citizens support both the local banks. It was pointed out that with 60,000 Negroes in Louisville, if the local banks, which now have combined resources of \$1,250,000, were given the full support of the community, they might

be able, by reason of their economic strength and importance to command more and better jobs from manufacturing interests for Negroes locally. At the Thursday morning session, J. A. Jackson, of the Department of Commerce, outlined the service this department of the Federal Government can give to business men with little or no cost. He particularly stressed the literature available on "Retail Store Problems," which has been widely distributed among white bankers. This literature is designed to help the banker understand the details of merchandising, so he may be in a better position to deal with this type of business when he meets it in his daily affairs. Round table talks were held on "Insurance on Bank Loans," "Co-operative Advertising," "Possibilities of Bank Mergers," etc.

A boat ride on the Ohio River on the Steamer "Roosevelt" was enjoyed by the delegates Thursday night. The boat left the wharf at Sixth street at 8:30; music and dancing as well as the cool breezes added the finishing touches of the lavish Louisville hospitality to the visitors. Mr. Spaulding, as the final session closed, said the bankers felt they had been greatly benefited by coming to Louisville, where two Negro banks are enjoying solid growth. This contact alone with successful men lent encouragement to others who might have been depressed because of recent failures.

Heads Of Race Financial Houses In Third Annual Convention Discuss Means Of Improving Bank Conditions Session Is Held In Louisville, Ky., Sept. 12-13, With Major Wright of Philadelphia & Dr. Boyd, Nashville, Presiding

Louisville, Ky.—Negro bankers of the United States, members of the National Negro Bankers' Association, met here Wednesday morning, September 12, in the third annual convention of that body, the session being held at the Mammoth Life Insurance Co. building, 422 South Sixth street. Major R. R. Wright, founder and president of the Citizens and Southern Bank and Trust Co., Philadelphia, presided

Wilson Lovett, president of the First Standard Bank, Louisville, and secretary of the national body, opened the meeting by welcoming the members to the city and the Rev. Dr. Charles H. Parrish, president of Simmons University, offered the invocation. President Wright had been delayed in reaching the city and the opening address was made by Dr. Henry Allen Boyd, president of the Citizens Bank and Trust Co. of Nashville, Tenn., who presided until President Wright arrived.

Spaulding Urged Cooperation.

The treasurer, C. C. Spaulding, president of the Mechanics and Farmers Bank, Durham, N. C., and Secretary Lovett made their reports, and then Mr. Spaulding

spoke on "The Present Situation of Negro Banks and What This Association Can Do To Improve Conditions," discussing the technical side of banking, and urging cooperation with local white banks for the purpose of establishing credit to be available in time of stress. Jesse Binga, president of the Binga State Bank, Chicago, discussed the address.

Luncheon was provided at the local Y. W. C. A. by the entertainment committee under direction of J. O. Blanton, president of the American Mutual Savings Bank.

At the afternoon session, Richard Bean, president of the Louisville National Bank, white, spoke on the practical side of banking, and Anthony Overton, president of the Douglass National Bank, Chicago, the only national bank operated by Negroes, spoke on "What I Consider Our Most Serious Problem." In the round table discussion following, Mr. Overton's address was commented on by Major Wright, Mr. Boyd, Mr. Spaulding, Mr. Binga, Truman K. Gibson, and others.

Visiting Banker Present.

A public meeting was held Wednesday evening at Quinn Chapel, the Rev. R. C. Henderson, pastor, with Mr. Blanton presiding. Mr. Boyd presented the visiting bankers, including F. T. Lane of the People's Finance Corporation, Kansas City, Mo.; A. G. Lindsay of the People's Finance Corporation St. Louis; J. J. Allen of the Inter-City Finance Corporation of America, Chicago; W. D. Hawkins, president of the People's Bank and Trust Co., Nashville; C. R. Yates, chairman of the board of directors, Citizens Trust Co., Atlanta; Henry Scott, manager of the real estate department, Binga State Bank, Chicago; M. C. Clark, president, and H. J. Allen of the Imperial Finance Corporation, Cincinnati; and J. A. Jackson, business specialist, Domestic Commerce Division, Department of Commerce, Washington.

Local bankers introduced were J. R. Ray, cashier; W. W. Spradling, vice president, First Standard; Dr. W. T. Merchant and Mrs. B. S. Etheridge, directors, and A. B. Ridley, vice president, American Mutual.

Bishop George C. Clement of the A. M. E. Zion Church delivered an address, and responses were made by Messrs. Overton, Spaulding and Binga, all urging united support for the local banking institutions. Musical numbers were given by Mrs. J. F. Lane, with Mrs. Locke at piano, and by Mrs. J. H. Walls and Mrs. Cora DeSha Barnett, with Miss Nannie Board at piano.

A boat ride on the Steamer Roosevelt on Thursday evening ended the session.

Banks-1928.

Deliberations Say Courier Writer

LOUISVILLE, Ky., Sept. 20

—For an outsider to be allowed to "sit in" on the executive sessions of the National Negro Bankers' Association is a rare privilege, and I approached the task with absolutely no idea in mind except watching and listening. I wanted to see how the men act, how they move about, what is their temper—the men who control the \$30,000,000 in resources that is held by the 70 Negro banks in the United States. I was fortunate enough to actually see the representatives of \$5,000,000 of those resources sitting down together. There was Overton and Binga, of Chicago, with each having on deposit over a million dollars in his institution. There was Henry Allen Boyd and W. D. Hawkins of Nashville, chummy and back slapping, although they are business "competitors" in Nashville, each having \$50,000 in capital in his bank. There was T. J. Walden, former major in the World War and a lawyer by profession, who is president of the Citizens Trust Company of Atlanta. Atlanta is a city that has an unhill fight for Negro business if there is a fight anywhere, yet Mr. Walden felt the confidence of the people in Negro ability is safe—what is needed is more technical banking knowledge and more experience by those handling the public's funds. There was C. R. Yates, just 31, who is chairman of the board of directors of the Citizens Trust Company. Talk about Negro youth making its way, there it is. There was Harry Scott, about Yates' age, who is manager of the real estate department of the Binga State Bank of Chicago. The Binga Bank has over a half million dollars invested in first mortgages on Chicago real estate, and this bright young man is manager of all that. Negro youth again to the fore, and put out front by an old man, for Mr. Binga is 63 by his own admission. Then there was Major Wright, Sr., for many years a school master, and still a school master in spirit, for he kept the bankers in line in their discussions just as he would a class of mathematics. And there was Anthony Overton, who boasted he could raise, outside his bank, \$500,000 in CASH within 10 days. In addition to his outside business interests, which could safeguard

his bank, he has the protection of the Federal Reserve, since his bank is a National Bank. And there was Mr. Spaulding of Durham, head of the only Negro bank with a branch bank, whose institution's resources stand at \$800,000, and who recently increased his deposits in one day, on the 20th anniversary of his bank, by \$80,000. Then there were Wilson Lovett, president of the Louisville First Standard Bank, organized in 1921, and J. O. Blanton, president of the American Mutual Savings Bank of Louisville, organized in 1922. Lovett's bank has a paid in capital of \$125,000, and Blanton's bank has a paid-in capital of \$110,000. These banks are in the same block opposite each other in Louisville, yet the two presidents sat in a public meeting with hands on each other's shoulders. A remarkable spirit of cooperation by Negroes. In addition, these two men, through their banks, made the visiting bankers so welcome that other cities hesitated to invite the bankers next year, fearing they could not equal the Louisville record for hospitality. This is just how hospitable the Louisville folks were:—when the delegates arrived in town they were told to go to the Allen Hotel and call for their rooms, the reservations had been made. NO CHARGE. When they were ready to eat they were told there were three public places at which they could eat three times a day—just sign their names to the meal check—NO charge. And to top it all, they were informed they might call a taxi of a certain colored company and ride anywhere they wanted to go—just sign the ticket—NO CHARGE. And to top it all, on Thursday night, after the sessions closed, a palatial steamer, with orchestra, was chartered and the bankers, visitors and ALL THEIR FRIENDS were taken for a ride down the Ohio River—FREE.

I confess that after sitting through the sessions of the Negro Bankers Association and hearing them discuss their intimate problems, I am convinced there is no more sincere group of Negro men in the country who are working extraordinarily hard to bring to the Negro public the most safe and up-to-date banking methods that can be practically worked out. The bankers realize they have very difficult problems facing them, but they are not problems that can not be solved. They are problems it takes time, courage and ability to solve. The Negro public has many faults which the bankers can not frankly tell it about, such as low average deposits which cost just as much to keep on the books as big deposits; such as the indifference of some Negro leaders who could, by their example, inspire con-

confidence and help make the general Negro financial fabric stronger; and such as the problem of the lack of commercial development among our people which the banker is trying to encourage, but which can only be done slowly and painfully.

The temper of the bankers was fine. You can usually tell whether a man is serious by the way in which he goes about his business. I was convinced, after observing the bankers, that they were in earnest. They asked each other very searching questions, and they dug deep down into the roots of the causes of bank trouble among Negroes. At least they are now aware that certain lax practices will result in disaster, and they are determined that those same practices will not be indulged again.

BANKERS OPEN NEXT WEDNESDAY METROPOLIS OF KENTUCKY READY TO ENTERTAIN GUESTS

Louisville, Ky., Sept. 5th—(Special) A Round Table Discussion—"Improvement of Conditions" and "Our Most Serious Problems," led by C. H. Douglass, President, Middle Georgia Savings and Investment Company, Macon, Georgia, W. W. Spaulding, Chairman of Board, First Standard Bank, Louisville, Ky.; Robert L. Oliver, Chairman of Board, American Mutual Savings Bank, Louisville, Kentucky; J. L. Wright, Sr., of Philadelphia, President of the Citizens Southern Bank. Mr. J. O. Blanton, who has charge of the assignment of homes to the visiting bankers, has reported an unusually large list of acceptances. Among the list to come in was the encouraging report from some of the well established banks whose officials were late in accepting the invitation.

Social functions and features have been arranged to take the entire two days' session. The program for the two days as released here this week says:

Invocation by Rev. C. H. Parrish, President, Simmons University, Louisville, Kentucky.

Roll Call by the Secretary.

Opening Address to the delegates by the President, Major R. R. Wright, Sr.

Introduction of delegates to the Session, by J. R. Ray, Cashier, First Stan-

National Negro Bankers' Association.

Standard Bank, Louisville, Kentucky.

Appointment of Committees.

Report of Treasurer of National Negro Bankers Association—Wilson Lovett.

"The Present Situation of Negro Banks and What The Association Can Do To Improve Conditions," led by C. C. Spaulding, President of the Mechanics and Farmers Bank, Durham, North Carolina. Discussion led by W. H. Harvey, President, Victory Savings Bank, Columbia, S. C.

Lunch—Allen Hotel.

Afternoon Session—Wednesday

September 12th, 2 P. M.

Meeting to be called to order by the President.

Address—Richard Bean, President, Louisville National Bank and Trust Company.

Address—by Anthony Overton, President, Douglas National Bank, Chicago, Illinois, "What I Consider Our Most Serious Problems."

Round Table Discussion of Mr. Overton's Address, led by H. S. Chauncey, President, Empire Savings and Loan Company, Cleveland, Ohio.

A Round Table Discussion—"Improvement of Conditions" and "Our Most Serious Problems," led by C. H. Douglass, President, Middle Georgia Savings and Investment Company, Macon, Georgia, W. W. Spaulding, Chairman of Board, First Standard Bank, Louisville, Ky.; Robert L. Oliver, Chairman of Board, American Mutual Savings Bank, Louisville, Kentucky; J. L. Wright, Sr., of Philadelphia, President of the Citizens Southern Bank. Mr. J. O. Blanton, who has charge of the assignment of homes to the visiting bankers, has reported an unusually large list of acceptances. Among the list to come in was the encouraging report from some of the well established banks whose officials were late in accepting the invitation.

Adoption of Resolutions.

Adjournment of Wednesday afternoon Session at 5:00 o'clock.

Dinner for all delegates at 6 p. m.—Allen Hotel.

EVENING SESSION—Wednesday

September 12th, 8 p. m.

Public session to be held at Quinn Chapel, 916 W. Chestnut Street.

Master of Ceremonies—J. O. Blanton, President American Mutual Savings Bank, Louisville, Kentucky.

Invocation—Rev. R. C. Henderson, Pastor, Quinn Chapel.

Music—Quinn Chapel Choir.

Introduction of Visiting Bankers, by Henry Allen Boyd, President, Citizens Bank and Trust Company, Nashville, Tenn.

Welcome Address—Bishop George C. Clement, Vice President, First Stand-

ard Bank, Louisville, Kentucky.

Response to Welcome Address—Anthony Overton, President, Douglas National Bank, Chicago, Illinois.

Vocal Solo—Mrs. J. H. Walls.

President's Annual Address—Major R. R. Wright, Sr.

Vocal Solo—Mrs. Cora De Sha Barnett.

Address—H. S. Chauncey, President, Empire Savings and Loan Association, Cleveland, Ohio.

MORNING SESSION—Thursday

September 13th, 10:00 A. M.

Meeting called to order by the President.

Minutes of previous day's session.

Subjects for Round Table Discussion as follows: "Insurance on Bank Loans," "Cooperative Advertising," "Possibilities of Bank Mergers." This Round Table Discussion to be led by W. M. Rich, President, Metropolitan Bank and Trust Company, Norfolk, Virginia. C. W. Banton, Executive Vice President, The Prudential Bank, Washington, D. C.

W. E. Johnson, Cashier, American Mutual Savings Bank, Louisville, Kentucky.

"Some Intra-Racial and Intra-Economic Aspects of Our Financial Enterprises," by M. C. Clark, President, Imperial Finance Corporation, Cincinnati, Ohio.

Discussed by T. K. Gibson, Columbus, Ohio.

Adjournment—12 o'clock.

Lunch—Allen Hotel.

AFTERNOON SESSION—Thursday

September 13th, 2 P. M.

Meeting to be called to order by the Chairman.

"The Small Loan Field," by Arnett G. Lindsey, Acting Manager, Peoples Finance Corporation, St. Louis, Mo.

"Adequate Secondary Reserves," by M. C. Martin, Cashier, Danville Savings Bank and Trust Company, Danville, Virginia.

Report of Committees.

Adoption of Resolutions.

Election of Officers.

Election of Executive Committee.

Selection of Meeting Place for 1929

Photograph of Delegates.

Dinner 6:00 P. M.—Allen Hotel.

Thursday Night, September 13th

Public Reception—Allen Hotel, 8:30 P. M.

Many Prominent Citizens Present

Music By Leading Vocalists

The public session of the National Bankers' Association was quite interesting. The Quinn Chapel, last Wednesday night.

Mr. J. O. Blanton, President of the American Mutual Savings Bank of Louisville, was Master of Ceremonies. The Welcome Address, which was happy, sound, and inspiring, was delivered by Bishop George C. Clement of this city. He was followed in a response by Mr. Anthony Overton, President of the Douglas National Bank of Chicago. He spoke of the great importance of banks to communities and urged our people to give their full support and loyalty to the two colored banks in this city.

The first and only president of the Bankers' Association, which was organized 8 years ago, is Major R. R. Wright, Sr., of Philadelphia. He glorified in the progress that has been made by the Race in banking. Thirty or thirty-five colored banks and banking institutions have over \$2,300,000 authorized paid up capital. However, he emphasized the fact that our people need to have greater confidence and give more united support to these institutions.

In the absence of Mrs. H. S. Chauncey, President of the Empire Savings and Loan Association of Cleveland, Ohio, Mr. Jesse Binga, President of the Binga State Bank of Chicago, spoke. He, too, urged larger deposits, greater patronage for our banks, and a deeper confidence in their officers.

Mr. C. C. Spaulding, President of the bank in Durham, N. C., was not scheduled on the program. However, he was called on and delivered one of the most interesting and helpful addresses.

Mr. Henry Allen Boyd, President of the Citizens Bank and Trust Company of Nashville, Tenn., introduced the bankers. Those present were: A. G. Lindsay, President Peoples Finance Corporation, St. Louis, Mo.; J. J. Allen, President, Allen System of Individual Savings Association, Chicago; J. O. Blanton, President American Mutual Savings Bank, Louisville; Anthony Overton, President, Douglas National Bank, Chicago; W. D. Hawkins, Savings Bank, Nashville; Mr. ... and C. R. Yates, Citizens Trust Co., Atlanta; Jesse Binga and Henry Scott, President and Head of Real Estate Department, Binga State Bank, Chicago; Wilson Lovett, President, First Standard Bank, Louisville; J. F. Laine, Peoples Finance Corporation, Topeka, Kansas; C. C. Spaulding, President, Merchants and Farmers' Bank, Durham, N. C.; M. C. Park, President, Imperial Finance Corporation, Cincinnati.

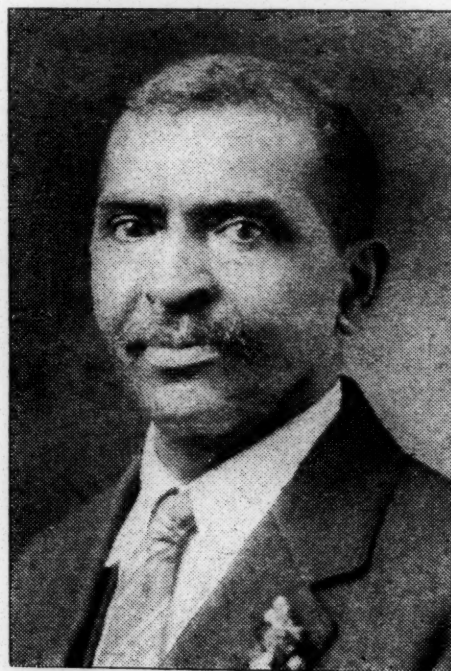
Others introduced were Mrs. Bessie Etherly and Miss Nellie Frye, director and vice president of the American Mutual Savings Bank, Louisville; T. K. Gibson, of Columbus, Ohio; J. A. Jackson, of Cleveland; W. W. Spaulding, vice president of the First Standard Bank, Louisville; Floyd Calvert, of the Pittsburgh Courier and Dr. C. H. Parrish, President, Simmons University. Solos were given by Mrs. J.

F. Laine, Mrs. J. H. Walls and Mrs. David Barnett, with Mrs. W. D. Locke and Miss Nannie G. Board as accompanists.

Invocation was offered by Rev. Dr. R. C. Henderson, Pastor of Quinn Chapel, and the benediction was given by Dr. C. H. Parrish, Pastor of Calvary Baptist Church.

The business session of the Association was held in the Domestic Life Insurance Co. Building

H. S. Davis



Secretary of the Dunbar Club

Mr. Davis is a native of New Albany, Indiana. About twenty years ago he migrated to Kentucky where he has made his home ever since.

For a number of years he conducted a restaurant with much success, but his health compelled him to seek out-door work. He learned the trade of painter and decorator in which pursuit he is at present engaged. He is an old-line Republican and has always taken an active part at the polls during registrations and elections. On the 10th inst. he assigned twenty-five members of the Dunbar Club to work in bringing out the registration which service was done gratis.

Mr. Davis and Mr. Fookes, the funders, expect to put on a membership drive and hope to have

5,000 members of the Dunbar Club by August 1929.

HERALD-POST
LOUISVILLE, KY.

SEP 12 1928.

KY. BANKERS OPEN ANNUAL MEET HERE

Mayor Delivers Address of Welcome; Fair Visit, Golf Tourney on Program.

The thirty-sixth annual convention of the Kentucky Bankers' Association opened at 10:15 o'clock Wednesday morning at the Brown Hotel when President F. P. Stum of Madisonville called the meeting to order at the first session.

After the invocation by the Rev. Charles W. Welch, pastor of Fourth-avenue Presbyterian church, Mayor William B. Harrison welcomed to the city the gathered State bankers, estimated at 700 association members and their wives.

The Hon. James Breathitt, Hopkinsville, lieutenant governor of the State made the response in behalf of the association. In the presidential address which followed, Mr. Stum spoke on "The Need of Greater Safety in Banking and Better Bank Management."

Other addresses delivered were "Why Is a Millionaire?" by M. A. Kendall, Pittsburg, Pa., and "The American Institute of Banking," by Ralph L. Watters, Louisville. These speeches concluded the business of the convention for Wednesday.

After a buffet luncheon at the Brown Hotel, the bankers will devote their attention for the rest of the day to a golf tournament at the Big Springs Country Club and to the State Fair. The convention will be in session two days, with the Thursday meeting scheduled to start at 10 o'clock in the morning at the Brown Hotel.

Registration, a theater party and a dance Tuesday served as preliminaries to the formal opening of the convention.

Negro Bankers in Session.

The third annual convention of the National Negro Bankers' Association opened Wednesday morning at 10 o'clock in the Domestic Life and Accident Insurance Company building, 601 West Walnut street. Maj. R. R. Wright, Sr., of Philadelphia, president of the Citizens and Southern Bank and Trust Company, delivered the opening address, and J. R. Ray, cashier the First Standard Bank

Louisville, introduced the delegates. G. C. Spaulding, president of the Mechanics and Farmers' Bank of Durham, N. C., and treasurer of the association, made his report, and Wilson Lovett, president of the local First Standard Bank and secretary of the association, delivered his report. C. C. Spaulding then spoke on "The Present Situation of Negro Banks and What This Association Can Do To Improve Conditions."

The only public meeting of the convention which will last through Wednesday, will be held Wednesday night at 8 o'clock at Quinn chapel, 916 West Chestnut street. J. O. Blanton, president of the American Mutual Savings Bank, Louisville, will be master of ceremonies. Henry Allen Boyd, president of the Citizens Bank and Trust Company, Nashville, Tenn., will introduce the visiting bankers. The welcome address will be delivered by Bishop George C. Clement of the A. M. Zion church. Response will be made by Anthony Overton, president of the Douglas National Bank of Chicago.

Major Wright will deliver his annual address and H. S. Chauncey, president of the Empire Savings and Loan Association, Cleveland, O., will speak. Music will be furnished by J. H. Walls and Cora DeSha Barnett, soloists, and the Quinn chapel choir. The Rev. R. C. Henderson, pastor of the church, will deliver invocation.

There are seventy Negro banks in the United States with combined resources of \$30,000,000, according to Wilson Lovett of the First Standard Bank. The two local Negro banks have combined resources of about \$1,250,000. The First Standard has resources of \$600,000. It was organized in 1921 and the American Mutual a year later. Both the local banks have combined to entertain the visiting bankers. Reservations were made for the delegates at the Allen Hotel.

President Stum's Address.

Bankers are guardians of the general welfare of the public and as such should take every precaution to safeguard the financial and industrial conditions of their vicinity and State President Stum said.

Mr. Stum, who is president of the Farmers' National Bank of Madisonville, called upon every banker in the State to make a recapitulation of himself and his bank and see if he was really serving the community as he should.

Bankers have the trust and confidence of the unsuspecting public, he said, adding that only a few of those

who read bank statements could really tell anything about the safety and soundness of the bank.

"The recognition of the connection between the banker and his clientele as a series and successions of mutual relationships—those relationships co-existent, co-extensive and interdependent—lays the foundation for joint achievement, and, therefore, community progress, hence the necessity for mutual and undisturbed confidence which every sane banker covets," Mr. Stum said.

Banks-1928.

National Negro Bank Association.

Bankers Call On Coolidge



—Scurlock Photo.

Left to right—Col. West Hamilton, R. R. Wright, Jr., S. W. Rutherford, Judge Edward Henry, Maj. R. R. Wright, President Coolidge, Mrs. Rosa Norwood, of the Citizens School Attendance Committee, Philadelphia, Pa.; Miss Gertrude Allen, honor student of the Philadelphia High School for Girls; John R. Hawkins, John M. Marquess.

WASHINGTON, D. C., Feb. 16.—A delegation from the National Negro Bankers' Association, headed by Major R. R. Wright, Sr., of Philadelphia, Pa., president of the association, called at the White House on February 11 and asked President Coolidge's support of the general movement of organizing thrift among the Negroes of the United States.

In the delegation were Major Wright, S. W. Rutherford, Judge Edward W. Henry of Philadelphia, John R. Hawkins, J. N. Marquiss and R. R. Wright, Jr., of Philadelphia.

After the conference, Major Wright stated that he had informed President Coolidge that there are in the United States nearly 60 Negro banks with deposits of more than \$22,000,000 and more than 320,000 depositors. While some of these banks are more than a quarter of a century old, he said, most of them have grown up with the prosperity which followed the world war.

Major Wright stated that there are 12,000,000 Negroes in the United States who earn approximately three billion dollars annually. He feels, he said, that they should be able to save at least 5 per cent of \$150,000. Negro property holdings, he stated, are worth not less than \$3,000,000,000, the largest single item being \$150,000,000 of church property.

Negro bank failures, Mr. Wright declared, have not averaged one a year for the last ten years.

Mrs. Harold Norwood, representing the Citizens Public School Attendance Committee of Philadelphia, and Miss Gertrude Allen, honor graduate of the Philadelphia High school for Girls, were in the party. Miss Allen presented the President with a declaration of friendship, and through him to Mrs. Coolidge, a Negro doll, as a symbol of friendship and good will.

Mrs. Norwood and her protege were most graciously received at the White House. The President asked Miss Allen to recite for him, after which group pictures were taken.

PRESIDENT WRIGHT OF NATIONAL BANKERS ASSOCIATION PRAISED BY HIGHEST MEN OF THE NATION

Letters From President Coolidge, Secretary

Mellon, President's Secretary and Great Bankers Commend His Efforts

Philadelphia, Pa.—Feb. 22—Major R. R. Wright, president of the National Negro Bankers Association, who, accompanied a group of bankers, called upon President Coolidge at the White House on February 11, asking the President's support of the general movement of organizing thrift among the colored people of the country, has received numerous letters from persons in the highest walks of life including President Coolidge himself, commending the efforts of Major Wright. Others who have written to President Wright include Secretary of the Treasury Mellon; Everett Sanders, Secretary to the President; Mayor H. A. Mackey of Philadelphia, and the majority of the most outstanding bankers of Philadelphia.

Included in the letters are the following:

The White House, Washington
February 16, 1928

Personal

My dear Mr. Wright:

I have received your letter of February 14th and wish you to know what a great pleasure it was to meet you on Lincoln's Birthday and your associates in the National Negro Bankers Association.

Very truly yours,

CALVIN COOLIDGE

The White House, Washington
February 16, 1928

My dear Mr. Wright:

I have received your letter of February 15th, and your letter to the president has also arrived. He is writing you a little personal note I think.

Sincerely yours,

EVERETT SANDERS
Secretary to the President

The Secretary of the Treasury,
Washington, D. C.
February 17, 1928

Doctor R. R. Wright, Sr.,
President Citizens and Southern
Bank and Trust Company,
Nineteenth and South Streets,
Philadelphia.

Dear Doctor Wright:

I have your letter of February 15, 1928, and am glad to know of the efforts which are being made by Negro Bankers throughout the United States to encourage thrift among their people.

Thrift is one of the vital elements in success. The men or women who early in life form the habit of saving a part of what he or she earns is assured of future

financial independence, for money accumulates astonishingly fast when laid by

early and increased by compound interest. Saving means hard work and many sacrifices; but the result is worth while because of the satisfaction in achievement and also the sense of security which financial independence brings its possessor.

Very truly yours,

A. W. MELLON
Secretary of the Treasury

The Philadelphia-Girard Nation Bank
Philadelphia

February 15, 1928

Major R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Philadelphia.

Dear Major Wright:

I note with interest that you have called upon President Coolidge and the Secretary of the Treasury in connection with the excellent work you have done in encouraging Thrift and sound business and banking methods among the colored people of Philadelphia. As I have taken occasion to remark previously, the work you have been doing has undoubtedly had a good effect upon the colored citizens of the city, and your efforts in their behalf are worthy of every encouragement.

Yours very truly,

O. HOWARD WOLFE,
Cashier

Corn Exchange National Bank
Philadelphia

Mr. R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Philadelphia.

Dear Mr. Wright:

With at least one hundred and fifty thousand colored people within the city of Philadelphia, it becomes quite a problem to look after their deposits and savings.

I am glad that you are doing a good work in the downtown section, and hope that your business will continue to grow. There is no reason why the colored people should not develop their own banking institution, as well as other business activities and I wish you every success.

With kind personal regards, I am
Very truly yours,

CHAS. S. CALWELL
President

Bank of North America & Trust Co.
Philadelphia

February 16, 1928

Mr. R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Phila., Pa.

Dear Major Wright:

Friendship Week offers a welcome opportunity to extend to you my most sincere wishes for your continued success and express my appreciation of your consistent and sustained efforts in your ad-

nirable work.

Yours truly,
JOHN H. MASON
— President

Southwark National Bank,
Philadelphia
February 16, 1928

Major R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Phila., Pa.
Dear Major:

The movement certainly deserves the support of everyone, as friendship plays a very important part in both our personal and our business lives.

You personally and the other officers and directors of the Citizens & Southern Bank and Trust Company, certainly deserve much credit for the excellent position your good bank now holds in the community.

Assuring you of our personal regard, and our willingness at all times to co-operate with you in any way, I am
Yours very truly,

W. M. FOULKROD, JR.
President
The Colonial Trust Company,
Philadelphia
February 16th, 1928

Mr. R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South streets, Phila., Pa.
My dear Mr. Wright:

I need not say that any movement which will encourage thrift and industry is worthy of real praise, and I am sure there are great chances for the development of this idea among our Negro citizens.

Very truly yours,
WM. FULTON KURTZ
President

Republic Trust Co., Philadelphia
February 20, 1928

Citizens and Southern Bank
and Trust Company,
19th and South Streets, Phila., Pa.
Attn.: R. R. Wright, Sr., President
Gentlemen:

I have your letter of February 15th and note your interest in the good-will movement and desire to see the success of the National Negro Bank Movement.

I think that the organization and conduct of a bank in the section of the city where you are located where banking accommodations can be given to the colored people is something that is much needed in this city as well as throughout the country.

I congratulate you upon your record as a member of the Bankers Association of Pennsylvania and my suggestion to you is that you conduct your business with care, integrity and good business judgment, and there will be no doubt but that the future will spell success for your institution.

Yours very truly,
JOHN E. McCULLY
President

Federal Trust Company, Philadelphia
February 17, 1928

Citizens and Southern Bank
and Trust Company,
Mr. R. R. Wright, Sr., President
19th and South Streets, Phila., Pa.
Dear Sir:

It is with pleasure that I note that your Committee sometime ago was so well received by both President Coolidge and Secretary Mellon. We have nothing but the best of feelings and congratulations upon the success of not only your institution, but your efforts towards the improvement of the colored people in this city.

Wishing you every success, we are,
Very truly yours,

H. F. RICHARDS
Vice-President

Southwestern National Bank,
Philadelphia

February 17, 1928
Mr. R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Phila., Pa.
Dear Sir:

We all need friends, and extend to you our best wishes for the success of the Citizens and Southern Bank and Trust Company.

Sincerely,
JOHN T. SCOTT, JR.,
President

City of Philadelphia,
Office of the Mayor
February 20, 1928

Dr. R. R. Wright, Sr., President
Citizens and Southern Bank
and Trust Company,
19th and South Streets, Phila., Pa.
My dear Dr. Wright:

I was very much interested, indeed, to read of the visit to President Coolidge by the delegation representing the Citizens and Southern Bank and Trust Company.

I am heartily in accord with your very commendable movement to promote thrift among the people, not only of Philadelphia, but throughout the country. It is a happy coincidence that your movement was inaugurated in connection with the Sixth Annual Friendship Week, which was observed from February 12th to 19th. Movements of this kind which, among others, have for their purpose the establishment and maintenance of better homes, rebound to the benefit of the community.

Permit me to congratulate the officers of the Citizens and Southern Bank and Trust Company for their enterprise and foresight in supporting wholeheartedly the thrift movement, which so appropriately is held each year after the anniversary natal day of Abraham Lincoln, whose very life, from its humble beginning to its tragic end, was one of thrift and sacrifice.

With kindest personal regards to you, and wishing your banking institution every success, I am

Very truly yours,
H. A. MACKEY

National Negro Bankers Meet in Louisville, Ky.

LOUISVILLE, Ky. Sept. 19—The 3rd annual meeting of the National Negro Bankers' Association, convened Wednesday morning in a local insurance office.

Major R. R. Wright, Sr. of Philadelphia, president of the Association, and president of the Citizens and Southern Bank and Trust Company, was delayed in getting to the city and immediately took charge of the meeting when he arrived shortly after the session had opened.

The meeting was opened by Wilson Lovett, president of the First Standard Bank of this city and secretary of the Association. Mr. Lovett welcomed the delegates and assured them no pains had been spared to insure them an enjoyable visit to the city. Rev. C. H. Parrish, president of Simmons University, offered prayer as the bankers began their deli-

berations.

No Cause for Alarm

The first business of the meeting was the opening address, delivered by Mr. Boyd in the ab-

sence of Major Wright. Mr. Boyd in choice phrases, told of the success of the present condition of each individual in his banking business among the grocers, calling attention to the need of close supervision of their business in order to maintain the trust and confidence placed in them by the public. He pressed himself on the confidence in the ability of the Negro men and women to conduct banking business, and urged that the bankers live up to the trust imposed in them. Recent bank failures were deplored, but the speakers declared there was no need for general alarm, pointing out that more than 500 white banks failed last year, and there was no panic among white people.

Following Mr. Boyd's speech came the report of the treasurer of the Association, C. C. Spaulding, president of the Mechanics and Farmers Bank of Durham, N. C. The report was adopted. Then came the report of the secretary by Mr. Lovett, which was adopted. Mr. Spaulding was then called on for a talk on "The Present Situation of Negro Banks and What This Association Can Do to Improve Conditions."

The meeting adjourned at 1 p. m., for lunch at the Y. W. C. A., which had been provided by the local entertainment committee. The lunch was served under the direction of J. O. Blanton, president of the American Mutual Savings Bank of this city.

After lunch the delegates returned to the building for the afternoon session. The first speaker on the program was Mr. Richard Bean, white, president of the Louisville National Bank. Mr. Bean spoke for 30 minutes on the practical side of banking, giving illustrations from his own banking experience. Following Mr. Bean's talk was an address by Anthony Overton, president of the Douglass National Bank of Chicago, the only national bank now conducted by Negroes. Mr. Overton spoke on "What I Consider Our Most Serious Problems." A round-table discussion of Mr. Overton's address followed, in which Major Wright, Mr. Boyd, C. C. Spaulding Mr. Binga and others, took part.

Another round-table discussion on "Improvement of Conditions," was led by Major T. J. Walden, president of the Citizens' Trust Company of Atlanta.

The only public session of the meeting was held at Quinn Chapel Wednesday evening. Rev. R. C.

Henderson, pastor of the church, offered prayer. Mr. J. O. Blanton of the American Mutual Savings Bank, presided. The visiting bankers were introduced to Louisville by Mr. Henry Allen Boyd, who in choice phrases, told of the success of the present condition of each individual in his banking business among the locality. Those presented, not mentioned above were, T. E. Lane of the People's Finance Corporation of Kansas City, Mo.; A. G. Lindsay of the Peoples' Finance Corporation of St. Louis, Mo.; J. H. Allen of the Inter-City Finance Corporation of Chicago; W. D. Hawkins, president of the Peoples' Bank and Trust Company of Nashville, Tenn.; C. R. Yates, chairman of the board of directors of the Citizens' Trust Company of Atlanta, Ga.; Henry Scott, manager of the State Department of the Bank, Chicago; M. C. Clark, president, and H. J. Allen of the Imperial Finance Corporation of Cincinnati; A. J. Jackson, business specialist in the Domestic Commerce Division of the Bureau of Foreign and Domestic Commerce, the Department of Commerce, Washington, D. C., and the local bankers, J. R. Ray, cashier of the First Standard Bank; W. V. Spaulding, vice president of the First Standard; Dr. W. T. Merchant, director of American Mutual; Mrs. B. S. Etherly, director of the American Mutual and A. B. Ridley, vice president of the American Mutual.

Bishop George C. Clement delivered the welcome address, and Mr. Overton responded. The session closed Thursday afternoon and the delegates enjoyed a boat ride on the Steamer Roosevelt Thursday night. The delegates were lavish in their praise of the entertaining committee for the way in which they were entertained. Every convenience they could wish for was enjoyed by the visitors.

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CAUSES OF FAILURES PROBED

9/24/28—
Group Most Sincere In Its

BANKERS TO MEET IN LOUISVILLE

LOUISVILLE, Ky.—(A.N.P.)—On September 12th and 13th, the National Negro Bankers' Association is to meet in this city.

The First Standard Bank, of which Wilson Lovett is president, and the American Mutual Savings Bank, of which J. C. Blanton is president, will act as host to the visiting delegates.

The following individuals have notified Wilson Lovett, secretary of the association, that they will be present:

C. H. Douglass, cashier; Middle Georgia Savings & Investment Co., Macon, Ga.; H. S. Chauncey, president; Empire Savings and Loan Company, Cleveland, Ohio; C. C. Spaulding, president; Mechanics & Farmers' Bank, Durham, N. C.; J. H. Ridley, cashier; Crown Savings Bank & Trust Co., Danville, Va.; G. I. Floyd, cashier; Victory Savings Bank, Columbia, S. C.; Dr. J. A. McFall, cashier; Charleston Mutual Savings Bank, Charleston, S. C.; A. H. Hendrix, cashier, Liberty Savings & Real Estate Corp., Macon, Ga.; Charles E. Mitchell, president, Mutual Savings & Loan Co., Charleston W. Va.; James T. Carter, Commercial Bank & Trust Co., Richmond, Va.; W. S. Banks, cashier, Second Street Savings Bank, Richmond, Va.; Anthony Overton, president, Douglass National Bank, Chicago, Ill.; Henry Allen Boyd, president, Citizens Savings & Trust Co., Nashville, Tenn.; W. M. Rich, president, Metropolitan Bank & Trust Co., Norfolk, Va.

Banks - 1928

New York.

NEW YORK HERALD

Sept 18

Harlem Crowds 1st Negro Bank On Opening Day

Dunbar National, Backed by

Rockefeller jr., Visited by
5,000 as Business Starts

Capitalized at \$500,000

Fifty Struggle for Honor of
Being First Depositor

Negroes of Harlem began to gather in front of the Dunbar National Bank, at Eighth Avenue and 150th Street, nearly two hours before it was to open its doors for the first time yesterday morning, and when Lieutenant John A. McDonald, of the 369th Infantry, National Guard, who is 6 feet 6 inches tall, finally opened the doors, about fifty persons sought to be the first to open an account. It was estimated that 5,000 Negroes had visited the bank when it closed its first day of business at 10 o'clock last night.

The bank was organized by John D. Rockefeller jr. and associates primarily for the use of Negroes, and, except for the officers, the entire personnel of the bank is made up of Negroes.

Helps Solve Race Problem

According to Joseph D. Higgins, president of the bank, it was started in the hope that it would prove to be a partial solution to the race problem in Harlem, where, he said, Negroes have always hesitated to do business with legitimate banks because they felt that none were run primarily for them. The Dunbar Bank, he added, is organized especially for Negroes, although, being a national bank, it will accept accounts from any one. It will help defeat the loan sharks and other financial parasites in the district, Mr. Higgins said.

The small lobby was piled high with flowers, sent by most of the large banks in the city. Letters and telegrams of congratulation were received from all over the country, and included messages from Alice Dunbar Nelson, wife of the Negro poet, Paul Dunbar, after whom the bank was named; the Douglas National Bank, a similar institution in Chicago; the Interracial Peace

of four members of the Negro National Bankers' Association was sent by the association in convention in Louisville to New York to congratulate the officers of the Dunbar bank.

Rockefeller Jr. Chief Stockholder

Most of the stock in the institution is owned by Mr. Rockefeller and the directors. The bank is capitalized at \$500,000, with \$540,000 surplus and undivided profits. One of the directors is Roscoe C. Bruce, a Negro, and resident manager of the Dunbar Apartments, on the ground floor of which the bank is situated. Other members of the board are John D. Rockefeller 3d, Herbert L. Pratt, chairman of the Standard Oil Company of New York; Frank A. Dillingham, president of the South Porto Rico Sugar Company, and Robert C. Hill, chairman of the Consolidated Coal Company.

The scale of salaries paid in the Dunbar bank is on the average slightly higher than that paid in other banks of a similar nature. Mr. Higgins explained, because the men who filled the positions have been even more carefully picked than usual. Mr. Higgins said that as vacancies occurred among the officers of the bank the positions would be filled as much as possible from the Negro personnel in the bank.

N. Y. SUN

SEP 14 1928

Dunbar National Forms Safe Deposit Company

Special Dispatch to THE SUN.

The Sun Bureau,
Albany, Sept. 14.

Formation of a safe deposit company by the organizers of the Dunbar National Bank, the new institution to serve the negro population of Harlem and backed in part by Rockefeller interests, was revealed by the weekly bulletin of the State Superintendent of banks. The Dunbar Safe Deposit Co., as it will be known, has filed its organization certificate, the incorporators being Charles O. Heydt, Jos. D. Higgins, Roscoe C. Bruce, N. Cutler, William R. Conklin, Henry E. Cooper and Edward L. Ballard.

The City Safe Deposit Co. affiliated with the Bank of United States, has been authorized to open three branches at 803 Prospect avenue, 273 East Fordham Road and 1294 South Eastern Boulevard, all in the Bronx. The Bank of United States has been authorized to open branches at the same locations, with the addition of 561 East Tremont avenue.

General Motors Acceptance Corporation has been authorized to open a branch at Regina, Canada. Removal of the Headgear Workers Credit Union to 133 Second avenue was approved and an authorization certificate was issued to the Consolidated

Laundries Employees Credit Union, 252 East Sixty-second street. Removal of the Universal Credit Corporation to 1776 Broadway has been approved.

Desire for Mixed Board of Directors Not Realized as Dunbar Bank Opens

Except for Roscoe C. Bruce, Resident Manager of Apartments, Harlem Business Men Are Entirely Without Representation—Nor Is Stock Offered for Sale

The desire on the part of prominent and capable Negro business men of Harlem to have serving the community a bank with a white and colored board of directors has not been realized in the opening Monday of the new Dunbar National Bank, located in the Dunbar Garden Apartments at Eighth Avenue and 150th Street.

Joseph D. Higgins and Arthur H. Thien, both white, formerly of the American Exchange-Trust Company, are president and vice-president, respectively. With the exception of Roscoe Conklin Bruce, resident manager of the Garden Apartments, the entire board of directors is white. The new institution is being financed by John D. Rockefeller Jr., who also built the apartments where it is located at a cost of \$3,000,000.

George C. Loomis, white, formerly assistant auditor of the Federal Reserve Bank of New York, is cashier. The rest of the personnel is colored, including the paying and receiving tellers, bookkeeper, vault custodian, stenographer, the head of the thrift department messenger and the day stock.

McDuvall, white, is secretary to the president. A few weeks ago it was understood that several Negroes had been tentatively selected to serve on the board of directors of the Dunbar National Bank, but this hope has now been blasted.

In certain quarters the institution is described as "simply another Rockefeller Standard Oil Bank to wedge us into depositing our millions of savings in it to be used in Wall Street."

A reporter asked Mr. Higgins on Monday why there were no Negroes on the board of directors except their own man, Mr. Bruce.

"Negroes may in time become members of the board," he said.

Several Negroes have been found by bank examiners to have the necessary qualifications to serve as directors of state and national banks.

Prior to the opening Charles O. Heydt, president of the Empire Mortgage Company, a representative of large banks in the city. Letters and Mr. Rockefeller and a member of the board of directors of the new

included messages from Alice Dunbar Nelson, wife of the Negro poet, Paul Dunbar, after whom the bank was named; the Douglas National Bank, a similar institution in Chicago; the Interracial Peace Commission and others. A delegation of four members of the Negro National Bankers' Association was sent by the association in convention in Louisville to New York to congratulate the officers of the Dunbar bank.

The meetings were held in the Mammoth Life & Accident Insurance Building, 422 South Sixth Street. The bankers present represented \$20,000,000 in resources.

Reading, left to right, front row, are Floyd J. Calvin, special feature editor of the Pittsburgh Courier; Henry Allen Boyd, president of the Citizens' Bank & Trust Company, Nashville, Tenn.; Mr. Lovett; Major R. R. Wright Sr., president of the Citizens' Southern Bank & Trust Company of Philadelphia and president of the association; C. C. Spaulding, president of the Mechanics & Farmers Bank, Durham, N. C.; Miss Camilla E. Bullock, secretary to Mr. Lovett and stenographer during the meetings; J. A. Jackson, business expert of the Department of Commerce, Washington, D. C.; Anthony Overton, president of the Douglass National Bank of Chicago.

Second row, left to right, are M. C. Clark, president of the Imperial Finance Corporation, Cincinnati; W. D. Hawkins, president of the People's Bank & Trust Company, Nashville, Tenn.; Mr. Blanton; Miss Nellie Frye, director American Mutual Savings Bank of Louisville; A. G. Lindsay, manager, People's Finance Corporation, St. Louis; James H. Hathaway Sr., director First Standard Bank; C. R. Yates, chairman of the board of directors, Citizens' Trust Company of Atlanta.

Third row, left to right, Bishop George C. Clement, vice-president of the First Standard Bank; Dr. Robert L. Oliver, director American Mutual Savings Bank; Mrs. Bessie L. Etherly, director, the American Mutual Savings Bank; H. J. Allen of the Imperial Finance Corporation, Cincinnati, Ohio; J. J. Allen, promoter of the Inter-City Finance Corporation, Chicago; A. B. Ridley of the American Mutual Savings Bank, and Mrs. L. B. Sneed.

Fourth row, William H. Stewart, editor of the American Baptist; Dean Rufus Clement of Johnson C. Smith University, Charlotte, N. C.; T. K. Gibson, director First Standard Bank of Louisville and president of the Supreme Life & Casualty

Company, Columbus, Ohio, and T. J. Walden, president of the Citizens' Trust Co. of Atlanta, Ga.

Rockefeller Jr. Forms Negro Bank In Harlem; Opens In Dunbar Apts

**Powerful New Nat'l Bank
to Fill Big Need of
Race Business**

PAID CAPITAL \$500,000

**Noted Capitalists Occupy
Places on Staff of
Institution**

Special to the St. Louis Argus

NEW YORK, Aug. 15. — A new national bank, to be located in the heart of Harlem and operated mainly for the benefit of the residents of that district, is being formed by John D. Rockefeller Jr. and his business associates. It will be known as the Dunbar National Bank of New York, will be located in the Dunbar Apartments, erected by Mr. Rockefeller at Eighth Avenue and 150th Street, and will be opened for business on Sept. 17.

Bank Is Approved

Application to establish the bank was approved Tuesday by the Controller of the Currency. It will have a paid in capital of \$500,000 and surplus and undivided profits of \$540,000. Joseph D. Higgins, who resigned last month as Vice President of the American Exchange-Trust Company to organize the new enterprise, will be President. Arthur H. Thien, also formerly of the American Exchange-Trust Company, will be Vice President, and George C. Loomis, formerly assistant auditor of the Federal Reserve Bank of New York, has been named cashier. It was said that in so far as it is possible the rest of the personnel will be Negroes.

Announcements of the formation of the bank, which was made Tuesday by William R. Conklin, as agent for the organizers, said that the population there calls for banking accommodations immediately and directly responsive to it and that a complete national bank organization operating in the interest of the race and in their midst would fill a long-felt want.

Staff Of Officers Named

It is greatly to be desired that the present undertaking does not merely represent aid of a paternalistic sort by one race to another, but instead the creation of conditions favorable to self-help by the

colored people. It is to be hoped that the present board of directors will seek to train and develop the abilities of citizens of the neighborhood, so as to create in time a bank of, by, and for the colored people—serving them by means of a colored staff under the guidance of a colored board of directors composed of the more prominent members of the community. This means that the present board should give the local community an opportunity for self-expression in banking matters, though under skilled guidance. The present board should seek to restrict itself more and more, as the local group demonstrates its ability, to an advisory rather than a directive capacity. In this way the enterprise may not merely furnish sympathetic banking service but may also well become a great social experiment and means of social progress. It is sincerely to be hoped that the sponsors have such an objective in mind.

The name of John D. Rockefeller Jr. appears for the first time in connection with the organization of the institution, as a corporation director. The directors, who will own a majority of the stock, in addition to Mr. Rockefeller and his son will include: J. Howard Ardrey, Vice President National Bank of Commerce; Edward L. Ballard, Chairman of the Board, Merchants Fire Insurance Corporation; R. C. Bruce, resident manager, Dunbar apartments; Everett Colby, lawyer; William R. Conklin, lawyer; Henry E. Cooper Vice President, Equitable Trust Company; Bertram Cutler, trustee Equitable Life Assurance Society; Frank A. Dillingham, President, South Porto Rico Sugar Company; Charles O. Heydt, President, Empire Mortgage Company; Joseph D. Higgins, President; Robert C. Hill, Chairman of the Board, Consolidation Coal Company; Charles Huitt, President, Ampere National Bank, Orange, N. J.; William Travers Jerome Jr., Leask, retired banker.

**NEW YORK JOURNAL
OF COMMERCE**

AUG 18 1928

Bank in Harlem.

The opening of a new national bank in this city's so-called "black belt" in Harlem is most interesting. Mr. John D. Rockefeller, Jr., is to be highly praised, and to him and his associates in the undertaking everyone must wish the best of success.

Newspaper reports are unfortunately rather vague as to the exact conduct of the new institution. The majority of the stock is to be owned by Mr. Rockefeller, while the institution will be under the guidance of a board of directors composed of important figures in banking and financial circles in this city, and of several officers well known for their previous work downtown. The remainder of the staff, it is understood, will be colored.

NEW BANK IN ROCKEFELLER APARTMENT TO BE OPENED SEPT. 17. NEGRO STAFF

A new national bank, to be located in the heart of Harlem and operated mainly for the benefit of the Negro residents of that district, is being formed by John D. Rockefeller, Jr., and his business associates. It will be known as the Dunbar National Bank of New York, will be located in the Dunbar Apartments, erected by Mr. Rockefeller at Eighth Avenue and 150th Street, and will be opened for business on September 17. Application to establish the bank was approved August 14 by the Controller of the Currency. It will have a paid in capital of \$500,000 and surplus and undivided profits of \$540,000.

Joseph D. Higgins, who resigned last month as Vice President of the American Exchange-Trust Company to organize the new enterprise, will be President. Arthur H. Thien, also formerly of the American Exchange-Trust Company, will be Vice President and George C. Loomis, formerly assistant auditor of the Federal Reserve Bank of New York, has been named cashier. It was said that insofar as it is possible, the rest of the personnel will be Negroes.

Announcement of the formation

**Harlem
Bank
Opens**

NEW YORK, Sept. 20.

Three representatives of the National Negro Bankers' Association brought greetings to the Dunbar National Bank, a Rockefeller institution, which opened here today. They were R. R. Wright, Sr., president, Citizens Southern Bank, Philadelphia; C. C. Spaulding, president, Farmers and Mechanics Bank, Durham; Henry Allen Boyd, president, Citizens Savings Bank, Nashville, a committee appointed at the National Negro Bankers' Association, which closed its session in Louisville.

The financiers were cordially welcomed by Mr. Rockefeller and escorted through the beautifully appointed offices. The bank is considered the finest in Harlem and judging from the number of visitors, it will be the most popular. Tellers were kept busy taking care of new depositors.

Floral gifts from banking institutions and conditions in Wall Street were among the fragrant and elaborate bouquets.

**Rockefeller to Open
Nat'l Bank in Harlem**

New York, Aug. 17.—A new national bank will be opened in Harlem on Sept. 17 by John D. Rockefeller Jr. and his financiers, it was announced Tuesday. John D. Rockefeller III, grandson of John D. Rockefeller Sr., will be a director. The financial institution will be known as the Dunbar National Bank of New York. It will be located on the ground floor of the Dunbar apartment building erected by Rockefeller Jr. and the Rockefeller foundation. Application to establish the bank was approved Tuesday by the controller of the currency. It will have a paid in capital of \$500,000 and surplus and undivided profits of \$540,000.

**POST
JAMESTOWN, N. Y.**

AUG 16 1928

Capital \$1,015,993.

Herbert L. Pratt, chairman of the Standard Oil Company of New York, has been elected a director of the Dunbar National Bank of New York, which John D. Rockefeller, Jr., is financing for the negro population in Harlem to be opened September 17th.

Banks - 1928

New York

N. Y. JOURNAL

SEP. 18 1928

New Dunbar Bank in Harlem

-:-

Is Monument to Progress



Photos by Evening Journal Staff Photographer.

DEPOSITING FIRST DOLLAR.

When the new Dunbar National Bank of
officially opened its doors Mrs. Mattie Parkin-
son, No. 200 Bradhurst avenue, was the first
depositor.

THRONGS HAIL
NEW BANK
OPENING

ITS FUTURE IN THEIR HANDS.

Here are the officers of the new Harlem bank-
institution, the Dunbar National Bank. Left to
right, George C. Loomis, cashier; J. D. Higgins,
president, and Arthur H. Thein, vice-president.

"We hope to do a real service
for the people of Harlem."

This statement was made today by
the president of the new Dunbar Na-
tional Bank, J. D. Higgins, when the
bank opened its doors.

Catering specially to the needs of
negro residents in New York, the
bank, situated at Eighth avenue and
One Hundred and Fiftieth street,
offers banking facilities of all kinds,
to large and small depositors.

Mrs. Mattie Parkinson, No. 200

Bradhurst avenue, was the first de-
positor. Throngs of visitors and cus-
tomers were shown about the bank
by attendants. Many floral wreaths
had been sent by other banks as
tokens of good wishes.

Applications for accounts have
been received even from out of town.
With the exception of the officers
of the bank, all the employees are
negroes. There are thirteen in all.

J. D. Higgins is the president;
Arthur H. Thein, vice-president, and

NEW HUB OF HARLEM BANKING.

Sponsored by John D. Rockefeller, Jr., and other leading business men,

the new Dunbar National Bank at
George C. Loomis, cashier.
John D. Rockefeller, Jr., is the
sponsor of the new organization, and
John D. Rockefeller, 3d, is one of the
directors.

Eight avenue and One Hundred and
Fiftieth street, marks a milestone in
the progress of Harlem negroes.

SEP 18 1928



NEW HARLEM BANK! Colored de-
positors in
new Dunbar National Bank, 8th Ave. and 150th St.,
were greeted by President Joseph D. Higgins. At
right, Lieut. John A. McDonald, 6 foot 4, former
boxer, special guard
(Mirror Photo)



Banks - 1928 MECHANICS AND FARMERS BANK IS 20 YEARS OF AGE \$112,925 Paid Capital, \$800,000 Resources; Clears \$500,000

Durham, N. C.—The acting governor, Hon. J. Elmer Long; the governor of the State of North Carolina, president of the Durham Chamber of Commerce, J. O. Cobb, and the president of the Citizens National Bank, J. B. Mason, were among the Durham citizens, white and colored, who were present at the celebration of the twentieth anniversary of the Mechanics and Farmers Bank, 112 Parrish street, in the bank building, August 8.

Governor Praises Bank

The speech of the acting governor was short, but pointed. He told how he had canceled an important engagement to be present so that he might, on behalf of the people of North Carolina, express his high regard for the progress made by the colored people of Durham and his genuine satisfaction with the kind of leaders the Durham Negroes have produced.

"I am glad to stand here in Durham and tell of the work of the colored people," he said. "I have studied the history of the leaders of your race in Durham, and I think you could not have any better leaders. The State of North Carolina is exceedingly proud of your institutions. You not only stand well, but you stand high. I rejoice with you as much as any citizen of North Carolina can that you have reached the point you have attained."

President C. C. Spaulding, in his reply to the addresses of appreciation which were made by Mr. Cobb and Mr. Mason as well as the governor, said in part: "We are not going to get the big head. We will keep our feet on the ground."

Add \$82,000 Deposits

In a drive for increased and new

deposits, in which members of the board of directors canvassed the town during the day, a total of \$82,000 for the Durham bank and the Raleigh branch was realized. Announcement was made of receipt of a \$10,000 check from a local white business firm for deposit. A colored man increased his deposit by \$3,000. Another white business firm sent a check for \$1,000.

The Mechanics & Farmers Bank is depository for the City and County of Durham. One white national bank carries an account with it. Ten other Negro banks throughout the United States carry accounts with it, and five Negro banks make it their regular depository. The bank has a clearing of \$500,000 a month.

The institution was organized in 1908. The first president was R. B. Fitzgerald, and the others, to the present, have been John Merrick, Prof. W. G. Pearson, Dr. S. L. Warren and Mr. Spaulding.

\$800,000 In Resources

The Mechanics bank has over \$800,000 in resources and has 1,700 short term notes. Its policy on loans is to foster home ownership and also to make industrial loans. Its loans range from \$5 to \$15,000. The capital stock paid in is \$112,925. The bank property has increased 100 per cent in value in the past five years.

The bank's officers are Dr. S. L. Warren, chairman of the board; C. C. Spaulding, president; E. R. Merrick, vice president; Britton Pearce, vice-president; R. L. McDougald, vice president-cashier; J. S. Hughson, assistant cashier; Chas. R. Frazier, cashier of Raleigh branch; J. M. Avery, trust officer; T. D. Parham, assistant trust officer.

In addition to the officers, the directors are Berry O'Kelly, W. H. Wilson, L. E. McCauley, J. L. Pearson, W. G. Pearson, J. C. Scarborough and Dr. J. E. Shepard. The board of directors is worth in the aggregate, \$2,000,000. One of its members is worth \$700,000, another \$500,000.

\$800,000 N. C. BANK WINDS UP 20TH YR.

Governor And Durham Citizens Aid In Celebration

Wednesday
8-11-28
\$82,000 DEPOSITS
MADE IN ONE DAY
Directors Of Leading Institution Are Worth \$2,000,000

DURHAM, N. C.—The acting governor J. Elmer Long, the president of the Durham Chamber of Commerce, J. O. Cobb, and the president of the Citizens National Bank, J. B. Mason, were present at the celebration of the 20th anniversary of the Mechanics and Farmers Bank, 112 Parrish street, Wednesday afternoon. Dr. S. L. Warren, one of the founders of the bank and now chairman of the board of directors, presided.

The Acting Governor said: "The State of North Carolina is exceedingly proud of your institutions. You not only stand well, but you stand high."

President C. C. Spaulding, in his reply: "We are not going to get the big head. We will keep our feet on the ground."

\$82,000 Day's Work

In connection with the celebration was a drive for increased and new deposits, in which members of the board of directors canvassed the town during the day. A total of \$82,000 for both the Durham bank and the Raleigh branch was realized. Announcement was made of receipt of \$10,000 check from a local white business firm for deposit. Other checks from Virginia and South Carolina were announced. One man increased his deposit by \$3,000.00. A white business firm sent a check for \$1,000.

The Mechanics & Farmers Bank in addition to having a large number of white accounts which it has carried for several years, is also depository for the city and county of Durham. One white National Bank carries an account with it. Ten banks throughout the United States carry accounts with it, and five banks make it their regular depository. The bank has a clearing of \$500,000 a month.

Organized 1908

The institution was organized in 1908, and it was told how Mr. Mason, of the Citizens National, came over each day for a week when they started twenty years ago and showed them how to open and close the bank. It is a strictly local institution, confining its plans primarily to the city and county of Durham. It has accounts from Georgia, South Carolina, Pennsylvania, Virginia, Arkansas, Mississippi, Liberia, West Africa and one from Paris, France. The first president was R. B. Fitzgerald, and the others, to the present, have been John Merrick, Prof. W. G. Pearson, Dr. S. L. Warren and Mr. Spaulding.

North Carolina
ion, confining its plans primarily to the city and county of Durham. It has accounts from Georgia, South Carolina, Pennsylvania, Virginia, Arkansas, Mississippi, Liberia, West Africa and one from Paris, France. The first president was R. B. Fitzgerald, and the others, to the present, have been John Merrick, Prof. W. G. Pearson, Dr. S. L. Warren and Mr. Spaulding.

\$800,000 Resources
The Mechanics bank has over \$800,000 in resources and has 1,700 short term notes. Its policy on loans is to foster home ownership and also to make industrial loans. Its loans range from \$5 to \$15,000, but it is equipped to handle all classes of depositors. The capital stock paid in is \$112,925.

At its location on Parrish street a half block south is the two million dollar Washington Duke Hotel; a block north, the Durham Public Service Corporation is soon to move into its \$250,000 home; a block west is Main street and on this street, running through the block to Parrish, is the Fidelity Bank; a half block away southwest, is the Durham post office and a block to the northeast is a \$500,000 office building. The bank property has increased, because of its location, 100 per cent in value in the past five years and will increase 100 per cent in the next five.

Officers and Directors Worth \$2,000,000
The bank's officers are, Dr. S. L. Warren, chairman of the board; C. C. Spaulding, president; E. R. Merrick, vice-president; Britton Pearce, vice-president; R. L. McDougald, vice-president, cashier; J. S. Hughson, assistant cashier; Chas. R. Frazier, cashier of Raleigh branch; J. M. Avery, trust officer; T. D. Parham, assistant trust officer. In addition to the officers, the directors are, Berry O'Kelly, W. H. Wilson, L. E. McCauley, J. L. Pearson, W. G. Pearson, J. C. Scarborough and Dr. J. E. Shepard.

The bank prides itself on its board of directors worth in the aggregate \$2,000,000. One of its members is worth \$700,000; another \$500,000 and so on down to smaller figures, but still substantial personal fortunes.

HERALD

AUG 11 1928

A DURHAM INSTITUTION

DURHAM is well aware that the city has had a strong and independent Negro banking institution, manned and operated by Negroes after its establishment by Negro capital. It is an outstanding banking institution known wherever colored people reside east of the Mississippi and one of a group of Durham Negro corporations which are leaders among the financial establishments of their race.

Serving the colored population of this community for twenty years, the Mechanics and Farmers Bank has had a most impressive part in the development of Durham. The men who are active in its present operation are doing an immense amount for both their race and their city.

C. C. Spaulding celebrated his 54th birthday upon the twentieth birthday of one of the great concerns in which his directing genius has had its effect. His efforts have rewarded him, but they also stand as unstinted and unremitting service of the Negroes of the city and of Durham herself.

From a modest beginning, the bank has grown to a point where its deposits are at the \$100,000 mark. A Raleigh branch has been established and is flourishing. Its executives are earnest Durhamites, "proud to live in Durham," able in the financial world and worthy of the trust their depositors repose in them. Through the entire warp and woof of the interlaced structure of Negro business enterprises here, run threads of purest loyalty to the community. The Mechanics and Farmers Bank is truly a Durham institution.

Banks - 1928

PITTSBURGH B'NK CLOSED BY STATE OFFICERS

The Modern State Bank of Pittsburgh has closed its doors on orders from Peter G. Cameron, State Banking Commissioner of Pennsylvania. The bank had deposits of \$40,000 and capital of \$40,000. The bank it was understood was unable to make its clearings and did not carry the necessary reserve required by the laws of Pennsylvania covering banking.

The bank has been operating in the East End district of Pittsburgh for the past several years and its present plight is due to frozen assets. Nearly \$100,000 of notes are carried by the bank.

Jacob L. Phillips, a former insurance man, is the president.

COMMISSIONER CLOSES PITTSBURGH BANK

"Frozen Assets" Causes Failure Of Modern State Bank
There

\$40,000 IN DEPOSITS

President Says He Has

\$100,000 In Notes

PITTSBURGH, Pa., Aug. 9.—(PNS.)—The Modern State Bank was closed by Porter G. Cameron, commissioner of banking in Pennsylvania, Saturday. A notice was placed on the door stating that the business and property was in Cameron's possession. It was signed by John L. Stewart, chief examiner.

It was stated by an examiner that the bank was unable to meet its clearings and also unable to meet the reserve required under the banking laws. Frank W. Jackson, special deputy, was placed in charge

The bank had been operating in the East End district for several years and had a capital of \$50,000 with deposits of \$40,000. Jacob L. Phillips, president of the bank, said the institution had notes amounting to nearly \$100,000, which could not be turned into cash quickly enough to prevent the closing.

DEPOSITORS GET 4% OF LOSSES

Brown-Stevens Depositors
Get First Installment

PHILADELPHIA, Dec. 27.—A pitiful four per cent of the savings they had on deposit in the private banking house of Brown & Stevens, which failed almost four years ago, is being paid the victims of that enterprise during the holiday season by Henry H. Hyneman and by Attorneys J. Austin Morris and Mercer L. Lewis.

This money ranges in sums from 14 cents to \$25 and \$30 and distribution of even this small fraction is due to the efforts of the group of Negro lawyers headed by Mr. Norris, representing a minority of the depositors, who have made a tireless fight to bring about some form of settlement for the poor men and women who were ruined in the crash of the banking house.

There has been quite a bit of criticism of Mr. Hyneman, who holds a power of attorney for the majority of the depositors and who is at the same time attorney for the trustee, Herman Schwartz.

Hyneman claims that he has spent many hundreds of dollars out of his own pocket to pay for affidavits for over 3,000 persons, and that when he deducts 50 cents from the amounts due to the depositors he is merely getting back the money he advanced. In addition to that, he is deducting eight per cent of the total sum as his commission for personal services rendered in the interests of the depositors. He adds:

"I have received money in payment for my services as attorney for the trustee, but when I go into court and fight for the payment of the claims of the depositors I represent, I argue my case as a private attorney for the men and women whose

claims I represent. For that service I am entitled to something and I am merely asking for eight per cent as my fee for personal services. There is nothing unethical in that."

The minority depositors who had retained Norris, Lewis, Taylor, Melin and other Negro attorneys to prosecute their claims were being paid their four per cent at the offices of Attorney Norris.

When these attorneys received the checks from the court 50 cents had already been deducted from them as payment of affidavit. Here 10 per cent was being deducted from the checks, and Mr. Norris explained that by saying:

"Hyneman beats us at that. He deducts his eight per cent from the total amount of the check. His eight per cent is higher than our ten per cent deducted from the check, minus the affidavit fee."

It is predicted that another sum of money will be available for distribution within six months.

CROWDS JOIN IN CITIZENS BANK EIGHTH BIRTHDAY ANNIVERSARY

PHILADELPHIA, Pa., Nov. 29

There was a great crowd out to join in the celebration of the Eighth Anniversary Week of the Citizens & Southern Bank and Trust Company. Every day was a gala day. Wednesday was enlivened by the attendance of a large number of the most fashionable and well-to-do women of the City of Philadelphia. Many new depositors were received. There were also many prominent bank officials. Among them was a special representative from the Dunbar National Bank of New York City, in the person of Mr. Loomas, their cashier. The Dunbar National Bank cashier was greatly pleased with the bank and the splendid array of exhibits from the colored business men and women of Philadelphia. Mayor Mackey sent his congratulations. The bank of North America and Trust Company, the oldest bank in America, sent its cashier, Mr. Kromer, who expressed himself as particularly pleased with the financial statement of the bank. Mr. Kromer stated that he regarded the Citizens & Southern Bank and Trust Company as in a very fine and satisfactory condition. President William W. Foulkrod, of the Southwark National Bank, sent his compliments and also the vice president, Mr. M. J. Klank. The Southwark National Bank is over one

hundred years old. On returning to his bank, Vice President Klank sent the following letter:

SOUTHWARK NATIONAL BANK
610-12 South Second Street
Philadelphia, Pennsylvania
November 29, 1928

Major R. R. Wright Sr., President, Citizens & Southern Bank & Trust Co., Philadelphia, Pa.

Dear Mr. Wright: After my visit yesterday, attending the eighth anniversary of the opening of the Citizens & Southern Bank and Trust Company, I wish to congratulate you and your directors upon the splendid work you accomplished in organizing and establishing the successful institution which you have. You certainly deserve a great deal of praise and credit for the work which has been done and at a time when things were not so bright.

I know you are on the road to progress and success and assure you that I, as well as the other officers of this institution, stand ready to be of assistance to you in the coming years.

Kindly feel free to call on me at any time and I will be at your service.

Sincerely yours,
M. J. KLANK,
Vice President.

12/1/28
Letters were received from Dr. John R. Hawkins, financial secretary of the Financial Department of the A. M. E. Church, and president of the Prudential Bank of Washington, D. C., President Joseph D. Higgins, Dunbar National Bank; The president of the Federal Trust Company, Mr. H. F. Rich-

ards; President Effingham B. Morris, Girard Trust Company; President of the National Bank of Germantown, president of the National

Bank of Olney and numerous others. The editor of the New York News Bureau Association sent out a very flattering account of "The Only Bank in the City of Philadelphia Owned and Managed by Colored People." The editor writes that he has sent this notice out as a compliment to us on our Eighth Anniversary and will be glad to make any other statements which we may wish.

A picture of a number of the directors of the Citizens & Southern Bank and Trust Company was taken near the great birthday cake. Everybody seemed to have expressed great pleasure at the success of "Philadelphia's Only Bank Owned and Controlled by Colored People."

Banks-1928

Pennsylvania.

Failure Of Two Banks Prompts Pres. Wright To Urge Closer Cooperation

Special to Journal and Guide

Philadelphia, Pa., Jan. 17.—Commenting on the recent failure of the Fraternal and Solvent Savings Bank, of Memphis, Tenn., and its ally, the Delta Savings Bank, of Indianola, Miss., Dr. R. R. Wright sr., president of the Citizens and Southern Bank and Trust Company here, and president of the National Negro Bankers Association, significantly notes that these are the only two colored banks that have experienced a failure during the past year, while over a thousand white banks have failed during the same time.

President Wright also senses something significant in the fact that neither of these banks was represented by any of its active officers either at the meeting of the Bankers Association in Philadelphia or Durham, and he notes that not a single bank represented at the Association by its active officers has failed. In this President Wright sees a strong argument for the co-operation of active heads of Negro banks. He stated:

President Wright's Statement

"In the publication of the failure of the Fraternal and Solvent Savings Bank of Memphis and its ally Delta Savings Bank of Indianola, Miss., it is a matter of significance that these are the only colored banks that have had a failure during the past year; while over a thousand

white have failed during the same time. But possibly the most significant fact connected with it is that neither of these banks was represented by any of its active officers either at the meeting of the National Negro Bankers Association in Philadelphia or at Durham. The fact is that there has failed not a single bank represented at this association by its active officers since the permanent organization of the National Negro Bankers Association. This is a strong argument for the active co-operation of the head and officers of all Negro banks. In this organization they can become acquainted with each other and their bank statements, and discuss plans by which their banks can become safer and more liquid and better conducted. Such has been the purpose of the meeting of the National Negro Bankers Association. This result devoutly to be wished can only come about by hearty co-operation of all the officers of Negro banks.

"Hence the absence of the active officers from such an organization of their fellow-bankers should be looked upon with some concern. Every white banker in the United States is a member of his State Association and also a member of the American Bankers Association. This is the only way by which these men can get informed. How can colored bankers do otherwise?"

Banks - 1928

Tennessee.

NEGRO BANKERS GO TO PEN—CHOOSING THE LESS OF TWO EVILS

Will a man rob God? This question, asked by one of the old time prophets, we venture, anticipated some of the nice and tasteful ways in which the modern art of financing is carried through.

If giving to the poor is lending to the Lord, then robbing the poor can barely escape being the crime of which the prophet complained. We can see no difference between robbing the poor and robbing God, nor can we see any difference between bold robbery and defrauding except, as a matter of good taste, frauds are perpetrated in a smooth, gentlemanly manner by outwitting the ignorant or the unsuspecting.

One takes fright at bold robbery and expresses an outraged feeling but, for most of the frauds, there is a vein of mitigating sympathy, because it usually happens to involve a neighbor or friend whom our confidence and association have tacitly recommended to be both worthy and trustful.

As the information comes to us that the alleged defaulting Negro bank officers in Memphis have plead guilty, received sentences and, in less than twenty-four hours after the trial, were landed in the penitentiary, we think of the many cases in which Negro defaulters have missed their just deserts and how this one case emphasizes the necessity for this kind of action to save the remnant of confidence in race leadership. A. F. Ward, president of the bank, Leroy Williams, assistant cashier, and E. J. Raspberry, teller, were sentenced to ten, five and five years respectively for their part in wrecking the defunct Solvent Fraternal Savings Bank. Thos. H. Hayes, J. L. Yancey, G. W. Atkins and P. D. Thornton went to trial Monday on similar charges. A shortage of \$300,000, money belonging to small wage earners, is evidence enough of criminal parasitism, and, what with disclosures of fraud as evidenced by bogus checks, false ledger entries and bogus collateral, the grossness of this conduct is almost unbelievable as it extends over a period of years and is the result of a maze of operations. And what if all of this tribe in Tennessee were safe behind the walls of a penal institution? Would not there be good reasons for expecting a healthier growth of sentiment for business cooperation?

But Tennessee is not alone in its unfortunate experiences. It does set the pace, however, in finding the facts and punishing the guilty. It teaches a very helpful and a very far reaching lesson. The same would help the states of Georgia, Alabama, Arkansas and other states, where Negro financial institutions are mismanaged and their funds diverted from their rightful through a combination of criminal greed and ignorance.

ever present economic parasite operating under the guise of a charity and race appeal has been the worst enemy to the success in building cooperative enterprises among Negroes. It is a long sad story of failures, defaultings and fraudulent conduct in which the principal characters have had an excess of sympathy and leniency given them on account of the fact that their victims were too poor and helpless to prosecute them and they themselves were misguidedly regarded as unfortunately inefficient by reason of limitations rather than criminal by reason of lack of honesty and sterling character qualities.

This case is a long step toward righting the impression that Negro defaulters when robbing their own people may be not called to strict accounting. It is the only course of action calculated to get results in stabilizing confidence in the operation of financial projects controlled and manned by members of the race. Progress in Negro business in Memphis has had a paralyzing setback, the extent of which cannot be measured by any means but the lapse of time.

The fact that the principals are to serve a term of years at hard labor may help in reviving a spirit for other ventures but the loss is irreparable and the spirit for Negro business will lag for a long time in that area.

Negro investments should be as safe as the honor and integrity of men and the execution of the law of the land can make them. Negro business

ventures will not grow great until there is some convincing evidence that both honest efficiency and legal safeguards are applied and proven effective against disastrous loss.

There are numerous other cases for which this one may serve as a good example and if we should pray that the day of doom may be hastened to others elsewhere, it will not be out of a spirit of our own vanity nor out of prejudice toward the comfort of others. The Reporter cannot think of it as being good news to hear that these men have received prison terms but it is much better news than that which on the 3rd of last October announced the crash of a million dollar financial institution in which \$300,000 of sweat and sacrifice money, according to later accounts, disappeared through dark and crooked channels on the official responsibility and criminal maneuverings of these men.

Of the two evils, we choose the less. Perhaps, after all, we can get on better without the leadership that carries us in that direction. Our preference is to part ways with the entire tribe, in whatever area they may be found. We cannot have thriving financial institutions built on confidence without taking order for the thieves who destroy them. We can't have our thieves in our social circle, and our financial institutions in good tact; we cannot have our parasites in our bosom and the blood of our life progress all uncontaminated; we cannot have both at once—they are incompatible. We must choose between them.

The Reporter chooses thriving institutions built on confidence and wishes no worse luck to our economic parasites that by the good offices of any legal or sympathetic agency they get to—h—l away from the path of our economic progress.

Banks - 1928

LAST OF NEGRO BANK CASES IS SET MONDAY

Hayes, Atkins, Yancy and Thornton to Fight Charges.

SQUIRES CASE IS SET

May Effect Compromise in Trial of Men Accused in \$98,000 Union Compress Company Embezzlement Case.

Trial of T. H. Hayes, P. W. Thornton, J. L. Yancy and G. W. Atkins, the last of seven negro bankers to face the bar for looting the Fraternal & Solvent Savings Bank of \$500,000, will start Monday morning at 9:30 o'clock in second criminal court.

The state is confident of sending all four negroes to the penitentiary in the wake of A. F. Ward, Leroy Williams and E. J. Raspberry, who were sentenced to long terms in the same courtroom last Monday when they entered pleas of guilty to charges of fraudulent breach of trust. Ward took 10 years while Raspberry and Williams were given five-year terms.

Hayes, Yancy, Thornton and Atkins, however, will have to face a jury, as in these cases the prosecution claims to have a much stronger case and is convinced that longer sentences can be exacted.

Embezzlement Case.

On the same day, in the same court, the state's case against Clyde H. Squires, Charles H. Squires and Jack Squires, charged with embezzling \$98,000 from the Union Compress & Warehouse Company, is also set for trial but will probably be continued unless a compromise verdict is reached between now and Monday.

In this case, Clyde Squires, bookkeeper for the compress company, is alleged to have stolen the missing money and sent it to his father, Charles Squires, and his brother, Jack Squires, to invest in farm land near Ravenna, Ohio. The father and brother are held upon the theory that they received the money, knowing it was stolen, and are therefore accessories.

In addition to this case and the bank cases, the criminal court calendar for the next two weeks, made out yesterday by Mike M. Cohen, clerk, contains names of 65 other defendants who will also face trial.

The calendar follows:
Division One, J. Ed. Richard, Judge:

MEMPHIS
TENNESSEE

MAY 27 1928

Catholic Club to Honor
Connery, New Secretary



A. J. CONNERY.

A. J. Connery, new executive secretary of the Catholic Club, will be formally presented to its members at a dinner tomorrow night.

Monday, May 28.—Jim Wooten (3), Omar Wooten and Robert Crawford.

Tuesday, May 29.—Oscar Wyman, Mary Lou Jones and Little Johnson (2), Addie May Hudson, John Gala.

Wednesday, May 30.—Mamie Anderson (2), Andrew Jackson.

Thursday, May 31.—Will Green, Albert Williams, James Anderson and George Williams.

Friday, June 1.—No court.

Saturday, June 2.—Motions, etc.

Monday, June 4.—Catherine Weakes, alias Mrs. S. A. Brown (2), Fred Vella.

Tuesday, June 5.—Eugene Smith, Ray Richardson (2).

Wednesday, June 6.—Frank Block and Peter Stewart, Beverly Turner.

Thursday, June 7.—Arthur C. Jones.

Friday, June 8.—Bill Tumble, Thomas Briggs (2), Ed White and Maude Bolden.

Laura Brown, R. C. Corley, Mrs. John R. Long and John R. Long, F. Humphreys, Della Barnes.

Saturday, June 9.—Motions, etc.

Division Two, Hon. T. W. Harsh, Judge:

Monday, May 28.—Clyde H. Squires, Charles H. Squires and Jack Squires, Joe DePerry, West Foster (2), T. H. Hayes, G. W. Atkins, J. L. Yancy and P. W. Thornton.

Tuesday, May 29.—Harvey Bell alias Williams (3), Walter Leftwich.

Wednesday, May 30.—Willie Boyd alias Jerry Miles and Max Lawless (2), James Slate, Sam Dumpas.

Thursday, May 31.—Roosevelt Russell and Charles Hursel, Molly Marshall, Sale alias Bruce Wilder and Harrison Trent (2), Mack Williams, Solo alias Bruce Wilder.

Friday, June 1.—No court.

Monday, June 4.—A. S. Hamilton, Jesse Lindsey.

Tuesday, June 5.—Wayne Queen, Harvey Brown.

Wednesday, June 6.—John Matt Smith alias John Martin, Earl Bell alias Connie, James Parchman (2).

Thursday, June 7.—James Davis, Phi

Lomey.
Friday, June 8.—Stella Jones, George Hobson, Frank J. Robinson and Rose Berry, Matthew Bell, Mrs. R. L. Missie Phil Thomas, L. D. Woods, Nell Bexley.

ROBERT R. CHURCH SUED BY BANK RECEIVERS

MEMPHIS, Tenn., July 26.—Suit has been filed in chancery court by H. L. Grigsby, receiver of the Fraternal and Solvent Savings Bank and Trust Company, against Robert R. Church, seeking to recover on certain notes held against Church by the bank either as maker or endorser.

Included in the notes is the Tom Taylor note, which has played a conspicuous part in Republican political discussions by those opposed to Church and Taylor. This note is for \$210, dated March 18, 1927, and due in sixty days after date. It is signed by G. Tom Taylor and endorsed by Taylor and Church.

Mr. Church is also sued on a note for \$2,900 signed by him and several months past due. With this note Church put up as collateral 110 shares of the old Solvent Savings Bank stock, the shares of \$100 denomination and declared by Grigsby to be worthless.

A third note for \$41 and a balance on another for \$119 made by A. C. McMillian and endorsed by Church, are included in the suit. There is a credit of \$78.05 on the latter note.

BOB CHURCH SUED

ROBT. R. CHURCH SUED BY BANK RECEIVERS

Memphis, July 25, 1928:—(PNS)—Suit has been filed in Chancery Court by H. L. Grigsby, receiver of the Fraternal & Solvent Savings Bank & Trust Company, against Robert R. Church, seeking to recover on certain notes held against Church by the bank either as maker or endorser.

Included in the notes is the G. Tom Taylor note, which has played a conspicuous part in Republican political discussions by those opposed to Church and to Taylor. This note is for \$210, dated March 18, 1927, and due in sixty days after date. It is signed by G. Tom Taylor and endorsed by Taylor and Church.

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Tennessee.

eral months past due. With this note Church put up as collateral 110 shares of the old Solvent Savings Bank stock, the shares of \$100 denomination and declared by Grigsby to be worthless.

Lead of Defunct Memphis Bank, Gets Off With One Year

MEMPHIS, Tenn.—When T. H. Hayes, president of the defunct Solvent Savings Bank and Trust company, received a one-year sentence last Friday for fraudulent breach of trust and G. W. Atkins and J. L. Yancy, implicated in the bank crash, were given five years each prosecuting attorneys, court attaches and spectators were stunned at the leniency of the bank officials' punishment.

Hayes, believed to have been the master mind of the big "steal" received the lightest sentence. Atkins and Yancy were found guilty of making false entries and given additional five years but the sentences are to run concurrently. Attorneys for the trio made motion for a new trial. In case the motion is overruled they have threatened to appeal to the supreme court.

Race's Leading Financial Institution Closes When Depositors Stage Rush

MEMPHIS, Tenn., Jan. 3.—

The Fraternal and Solvent Savings Bank, one of the oldest financial institutions owned and operated by Negroes in the United States, closed its doors Thursday evening with deposits of \$1,047,154.31, shown on its books, against which there is \$847,154.31 in loans, some of the security on which is said to be of doubtful value.

Combined Banks.

The Fraternal Bank, A. F. Ward, president, was until recently operated as a separate institution. T. H. Hayes, was president of the Solvent Savings Bank. Both institutions were located on Beale street, within a few blocks of each other. Only a few months ago the directors of the two institutions voted to combine, with a view of making one strong bank. Rumors concerning the faulty condition of the two banks were continuously afloat and for several weeks, persons having large deposits were quietly transferring their funds to other institutions. This together with the recent withdrawals for the holiday shopping, brought about the crash.

National Benefit To The Rescue

The officers and directors of the institution, in a frantic effort to avert the crash, rushed to Washington and were successful in floating a loan of \$40,000 from the National Benefit Life Insurance Company.

In a wire sent out to the newspapers, following the report of the bank's failure, R. H. Rutherford, president of the Washington Insurance company stated:

"In keeping with our long established policy to support Negro banks, we maintained a very considerable deposit in the Fraternal and Solvent Savings Bank. At the

distress call and upon solemn assurance of officers and directors, in order to prevent their doors from closing, we telegraphed the bank \$40,000. Before so doing, however, we adopted measures to safeguard and protect our interests.

"The result is that the National Benefit Life Insurance Company is more than solvent and remains the Negro's greatest financial bulwark.

There is due the bank from other banks and bankers \$37,911.88. These figures include cash items and the \$1,000 in cash found when State Examiners J. F. Hunt, C. E. McFarland and I. H. Wilson took charge.

This amount, together with what may be realized from property holdings and collections, holds out some hope for depositors, but just how much none who are acquainted with the situation yesterday would predict. Certainly it will be far from 100 cents on the dollar.

No true appraisal of the situation can probably be made for several days. Bank examiners yesterday spent their time questioning employees and officials and in making preliminary arrangements for a thorough investigation. A squad of clerks and stenographers supplied by the state banking department are now in the bank making a complete check under direction of Examiners Hunt, Wilson and McFarland.

John Varder Bruegge, attorney for H. L. Griggsby, state superintendent of banks, has filed a general creditors' bill in chancery court. Mr. Griggsby was appointed receiver by Chancellor M. C. Ketchum.

It was strongly intimated that one officer of the bank and perhaps others would be questioned as to alleged irregularities in conduct of the bank's business.

The withdrawal of Christmas

savings funds, deposits for use at Christmas, together with considerable talk among the local racial group concerning the condition of affairs at the institution, brought about the end.

On Tuesday afternoon of last week, after a run had finished, directors, realizing they could not keep open yesterday morning and pay the daily clearings due without wiping out the entire cash reserve of the bank, asked the examiners to take charge.

The number of depositors, many of whom had their life's savings in the institution, is estimated by examiners at between 15,000 and 20,000.

That several Negro business firms will be hard hit by the crash is believed inevitable.

The directorate of the bank included some of the strongest Negro political and business leaders of Memphis. Others equally prominent in the race are involved by virtue of loans obtained from the bank. Bert M. Roddy, formerly engaged in the chain store business, is said to owe the bank in the neighborhood of \$100,000.

It will be at least two weeks before examiners can complete their work, they said yesterday. Many things may develop between now and then, they intimate.

The type of collateral accepted for loans is especially interesting to them, they say, but they will not amplify the statement.

Delta Bank Believed Safe.

The Delta Penny Bank of Indianola, Miss., a Negro institution, which had \$14,000 on deposit in the Memphis bank, will not be affected by the failure, its legal advisers at Indianola said yesterday.

School children are among the thousands of small depositors who will feel the crash. The children had nearly \$15,000 on deposit.

Nothing that has happened in Memphis in recent years has so affected the Negroes of the city as the crash of their bank, to which a short time ago they were pointing with pride as being the largest institution of its kind in the south.

Yesterday they milled around its doors, resentful, anxious, and curious as to what had brought it all about. Police were needed several times during the day to prevent disorder.

Ward Was President.

Officers of the bank included A. F. Ward, president; J. E. Walker, T. H. Hayes, J. B. Martin and E. R. Kirk, vice presidents; Dr. G. W. Atkins, cashier; L. W. Williams and J. L. Yancey, assistants, W. Wilkeson, chairman of executive board and B. B. Anderson, member of the board.

The books disclosed that T. H. Hayes vice president, and a Negro undertaker, to be an endorser of paper to the extent of \$77,027; E. W. Irving, stockholder, to the amount of \$58,000; J. L. Campbell stockholder, \$58,321, and C. A. Terrell, stockholder, \$60,950.

Among supplementary assets are bonds, one for \$50,000, and the other for \$50,000, signed jointly by the Fraternal and Solvent banks before they merged in September. The bank examiners required the bonds as additional protection to depositors. Alonzo Lock, head waiter at Hotel Peabody, is a signer of the \$100,000 bond. He was a stockholder.

According to Examiners Wilson, Hunt and McFarland, it is yet too soon to ascertain to just what extent assets are frozen or irregularities have occurred until a further check is made.

Assets and Liabilities.

The list of assets and liabilities as filed in chancery by Attorney Vorder Bruegge was as follows:

ASSETS.
Cash, cash items and due from banks and bankers \$ 37,911.88
Bank building, furni-

ture and fixtures --- 146,075.18
Other real estate ---- 176,941.31
Stocks and bonds ---- 38,723.50
Expenses and interest paid 6,544.97
Loans and discounts.. 847,154.31
Total 1,253,351.15

LIABILITIES

Capital stock \$ 100,000.00
Deposits 1,040,317.39
Rediscounts and bills payable 24,216.90
Deferred payments on bank building and other real estate 81,816.86
Total \$1,253,351.15

State Fraternal Organizations Hard Hit.

The several Tennessee fraternal organizations, such as the Knights of Pythias grand lodge, Grand Court of Calanthe, and Odd Fellows' grand lodge, that selected the Memphis institution to deposit a part of their funds, are among the big losers, the result of the bank's failure.

The entire amount of money in the treasury of the Grand Court of Calanthe's Burial Board was on deposit in the bank.

MEMPHIS BANK FAILS; SHORT'GE NEAR \$50,000

Withdrawal Of Christmas Club Funds Starts A Two Day Run

PRESIDENT AND ASST. CASHIER UNDER ARREST

Reorganization, So That Depositors May Not Lose, Is

Being Considered

MEMPHIS, TENN., (By Telegram.)—The Fraternal and Solvent Bank and Trust Company closed after a two day run, Saturday.

Friday, when a large number of school children withdrew Christmas club accounts it started a rumor which soon gained momentum throughout the city and the directors asked state bank examiners to take charge.

At first the withdrawal of \$50,000 Christmas savings funds and frozen assets were blamed for the crash, but the consequent arrest of A. F. Ward, president, J. E. Walker, vice president and Leroy Williams, assistant cashier, pointed to irregularities, misuse and juggling of accounts. Police claim to have signed confessions from Ward and Williams that more than \$50,000 had been thus misused.

Efforts Fail

Efforts to save the institution, lead by Robert R. Church and others, failed. The National Benefit Life Insurance Company sent \$40,000 a week ago as a deposit. Titles to the two main buildings of the bank were transferred to Church in trust for the National Benefit Company for loans totaling \$101,000 made by the company of which the last \$40,000 was a part. R. H. Rutherford, its president, declared that every penny was amply secured and that it would not effect the financial condition of the company.

Dr. J. E. Walker, vice-president, was also president of the Universal Life Insurance Company. This company does business with the bank, and when it was apparent that the Universal might also be caught in the crash, he tendered his check for \$20,000 in securities and \$6,000 in cash to secure his company's interests.

This lead to his arrest as he was not actively in charge of affairs at the bank.

Indemnity Bond

That it was probable that depositors would not lose was revealed by the fact that an indemnity bond for \$100,000 signed by various members of the directorate was held by bank examiners and that they would have to make up the deficit.

More than \$100,000 worth of paper, made seven years ago by Bert M. Roddy, then cashier, is said to be held in the institution. Mr. Roddy was out of the city Saturday when an AFRO-AMERICAN correspondent tried to reach him.

The Delta Savings Bank of Indianapolis, Mississippi, was revealed as a large depositor, but state officials claim that these two banks were exchanging checks to maintain the bank's equilibrium.

R. R. Church made the following statement: "I was not an officer, director, nor a member of any committee of any kind or character of the Fraternal and Solvent Bank. In fact, I had absolutely no connection directly nor indirectly with it. As a citizen of Memphis with only the depositors in mind I did try to help

prevent the institution from closing." *Memphis, Tenn., Evening Appeal*

Follows Merger

The failure of the institution came three months after the merger of the Solvent Savings Bank and Trust Company with the Fraternal Savings Bank and Trust Company, both regarded as two of the strongest financial institutions in the South.

Organized 1906

The Solvent Savings Bank and Trust Company was organized in 1906 and had a paid in capital stock of \$100,000. It was reported to be the first race bank in this country to have acquired resources of more than a million dollars. The late Robert Church, father of R. R. Church, was active in its organization and from the very beginning it prospered. Harry W. Pace, now president of the Northwestern Life Insurance Company, was its first cashier. He was followed by Bert M. Roddy, now field secretary of the National Negro Business League.

Two years later the Fraternal Savings Bank was organized. A. F. Ward and Wayman Wilkerson, It had a capital stock of \$50,000.

Bank Boasted

For a number of years the Solvent Savings Bank and Trust Company boasted of the fact that it could realize on its paper at any time within one hour. This was based on the fact that all minor investments were approved by a member bank of the Memphis Clearing House Association of which it also was a member.

A. F. Ward, president of the merged institutions, was also connected with the Fourth Street Investment Company, a concern dealing in real estate.

Million Deposit

At the time of the failure, the bank carried \$1,047,154.31 in deposits, \$15,000 of which were held by school children. Against this was \$347,154.31 in loans, a large part of which are regarded as frozen assets.

Wayman Wilkerson, chairman of the Executive Board of the merged institutions, was also president of the Tri-State Casket and Coffin Co., and other prominent citizens either stockholders or officers were T. H. Hayes, undertaker; Dr. J. B. Martin, vice-president; Edward R. Kirk, Dr. M. W. Atkins, cashier; J. L. Yancy, assistant cashier; Alfonso Locke, former head waiter of the Peabody hotel, the Rev. J. L. Campbell, Dr. C. A. Terrell and Dr. E. W. Erving.

BANNER

NASHVILLE, TENN.

JAN 15 1928
**OLDEST NEGRO BANK
SHOWS FINE GROWTH**

The Citizens' Savings Bank & Trust Company, organized in the year 1904, and reputed as being the oldest Negro bank in the United States, has just closed its most successful year's business. It organized with a capital stock of \$1,800, twenty-four years ago, and now has a paid up capital of \$50,000, and has paid a six per cent dividend to its stockholders each year of its existence.

JAN 21 1928

Negroes Are Imitative

Negroes who lost money in the collapse of a bank operated by members of their own race may see in the disaster further evidence that they are as likely to lose in dealing with each other as with members of the white race. There is hazard for them in either case. But they may find comfort in the fact that in that respect they are not different from whites, who also lose in dealing with each other.

It is said that the negro is imitative. The wreck of the Memphis bank indicates that there has been some imitating. If white men can wreck banks and escape with light penalties, why not negroes also?

Disasters like the latest bank failure here eventually may convince the Legislature that more stringent laws for the regulation of banking must be enacted. No better proof is needed than the fact that negroes who at the best are but little more than novices in business could manipulate the affairs of a bank in such a way that it could be so thoroughly glutted before its condition was discovered.

Memphis Bank Failure

The Fraternal and Solvent Bank and Trust Company of Memphis failed last week. Three of its officers were placed under arrest and irregularities amounting to \$50,000 confessed.

But the directors of this bank were under a \$100,000 indemnity bond which will be sufficient to make good the shortage and pay nothing over.

Since the bank changed its policy of investment seven years ago, it has failed rapidly.

A merger with the Fraternal Savings Bank and Trust Company last year simply delayed the inevitable crash.

The National Benefit Life Insurance Company came to the rescue with a loan of \$101,000. A run on the bank wiped out all cash in two days.

The Solvent Savings Bank and Trust Company's real trouble began when it abandoned its policy of investing in securities not approved by the local clearing house. \$100,000 was supposed to have been sunk in a chain grocery store investment which proved a failure.

A large part of \$750,000 which the bank has out in loans, is upon real estate, so tied up that it cannot now be profitably liquidated.

C. C. Spaulding, President of the N. C. Mutual Life Insurance Company, in a letter to the AFRO last week pointed out that 1000 white banks failed last year and only one colored bank.

The fact remains as Mr. Spaulding realizes—that we cannot afford to lose even one. The Memphis bank failed because it made mistakes in investment. The race cannot learn the banking business without mistakes.

Memphis owes it to itself not to let this mistake cramp its business thinking and its co-operative spirit.

Fraternal and Solvent Bank should be re-organized and put to work under men who have learned from experience now how a bank should invest its funds.

TELLER IS GRILLED IN NEGRO BANK FAILURE

E. J. Raspberry Is Asked to
Explain Checks.

E. J. Raspberry, teller, was being grilled by bank examiners and Assistant Attorney General William E. Gerber early last night for an explanation as to the cashing of checks for which no credit appeared on books of the defunct Fraternal & Solvent Savings Bank & Trust Company.

Examiners H. H. Wilson, J. E. Hunt and C. C. Spaulding believe the shortage of the negro bank will exceed \$200,000, but it will be several days before the exact amount can be determined. A corps of experienced bank workers and stenographers are still going into the books seeking a detailed account of the shortage.

In response to a call from examiners, hundreds of negroes who had deposits at the bank when it closed Thursday night brought their books to the bank yesterday for comparison with bank records. Nearly all demanded receipts for their books and refused to release them otherwise. They were accommodated.

Teller Grilled.

Raspberry was examined for several hours. It is understood that he was able to give no explanation relative to the cashing of several checks, among them one for \$1,250. It is understood. Officials have no intention of releasing him until the matters are explained satisfactorily, it was said.

Bob Church's offer of \$150,000 with which to reorganize the bank will not be accepted, it was understood yesterday. This amount will not even cover the shortage, examiners believed. Church made the offer last week after he had deposited \$50,000 in the hope of preventing the collapse of the bank.

Three men are now under arrest in connection with the failure. They are A. F. Ward, president, and L. W. Williams, assistant cashier, charged with embezzlement. They have confessed to shortages totaling more than \$50,000. The third is Dr. J. E. Walker, vice president, who withdrew \$6,000 and took \$20,000 of the best of the bank's first mortgage paper on the deposit of the Universal Life Insurance Company, which he heads, on the day of the bank's closing. He is charged with grand larceny.

Banks-1928

MEMPHIS BANK AND TRAGIC LESSON

The closing of the doors of the Solvent-Fraternal Bank of Memphis, Tennessee, which occurred last week, marks the passing of one of the oldest Negro financial institutions in the South—the pride of the Bluff City, the Volunteer State, Dixieland and the entire country.

Effective October 3, 1927, the Solvent Savings Bank and Trust Company and the Fraternal Savings Bank and Trust Company consolidated, and, according to newspaper reports at the time of the merger, the new institution was to be housed in the home of the Solvent Savings Bank and Trust Company at Beale Avenue and New South Third Street.

Press dispatches, at the time of the consolidation, also gave intelligence that the combined capital stock of the merged financial institution was \$150,000, and that the merger of the two banks would give the community a stronger financial institution and result in a saving of fully 50 per cent in overhead expenses.

In the absence of information as to what was the direct cause of this bank's failure, The Informer wishes to raise this question: Is Negro business and commerce of such a nature as to warrant Negro banks?

It appears that the majority of Negro banks fail not because the officers and directors are crooked, nor due to any embezzlement of bank funds and undue speculation with people's money entrusted to the bank's charge and keeping; but most Negro banks collapse because of frozen assets and paper (personal notes and other collateral) which have comparatively little, if any, liquidating value.

In other words, bad business methods enter into entirely too many of the financial transactions carried on by Negro bankers and many loans are made to persons who have neither the paying ability, the collateral or the reputation for honesty and integrity.

The function of a real bank is more than to act as a mere receiver or depositary for the funds of the people, but to act as custodian, guardian and trustee of all moneys deposited, whether as checking accounts or time deposits.

Banks' only source of revenue lies in safe and sound loans and the collection of all paper when due; and any bank which does not rigidly adhere to this policy (even though its officers and directors are men of proven honesty and integrity, and would not wittingly or unwittingly, misapply, misappropriate or misuse one penny of the people's fund placed in their custody) will sooner or later strike a submerged sandbar or explosive missile upon the financial waters, often resulting in its complete destruction.

While full details of the Memphis bank's debacle are lacking as we pen this editorial, we venture the assertion that "bad loans" and "worthless paper" played no small part in the failure of this institution; or, should we not say, in the closing of its doors.

However, we have observed that most Negro banks which close their doors, never reopen them for business; and it matters not what act or deed was responsible for its failure (even if certain officers and officials pull off some crooked and criminal work), few, if any, Negro officers and directors of banks are ever indicted for misapplication and misappropriation of the depositors' and stockholders' hard-earned cash.

No bank can live long and function as a strong financial institution which does not enjoy as its clients large numbers of

business and commercial institutions, which negotiate short loans of nice amounts and have collateral and backing so as to assure and insure no loss to the bank in case borrower defaults in the payment of his paper when due.

Neither fraternal alignments, denominational affiliations nor political associations should influence any officer or director in committing any act or granting any favor which is not in keeping with safe and sound business principles.

No bank can long survive which depends almost entirely upon the laboring and toiling class—mostly people who get behind with their paper on their homes, or even get in arrears with their personal obligations and "rush act" some tender-hearted bank official or director to help them out; but no sooner than the loan is made, too often forget to repay it, while their endorsers usually become "hard-boiled" and refuse to pay the past-due paper.

Another thing: No bank is safe whose customers (particularly those who secure loans from said financial institution) have no regard for their word or obligation; for confidence is the mortar that binds and holds the financial and commercial and business world intact.

Whatever the cause of the closing of the Solvent-Fraternal Banks at Memphis, it brings home to the race a very tragic lesson; for most collapses and failures of this kind generally affect the type and class of people who can ill afford to lose their earnings and savings of a lifetime.

The Informer hopes that the officers and directors of this financial institution can evolve some plan whereby the doors of the bank can be reopened, and that the depositors and stockholders will suffer comparatively little, if any, financial loss; for here was a bank that had the confidence of the Negro masses and racial "big business," and its complete failure at this time will destroy much confidence which the race has in the ability of Negroes to man and operate such institutions.

TWO BANKS FAIL; ARREST OFFICIALS

Memphis and Indianola Institutions Having Capital of \$1,247,150 Go Under In Crash

SHORTAGE IS \$200,000

A. F. Ward Is Held For Embezzlement. Three Others Up. Walker Released Under \$10,000 Bail

MEMPHIS, Tenn., Jan. 4.—Poor management, bad loans and a growing lack of confidence by depositors, say bank examiners, caused the crash of the Fraternal and Solvent Savings

Bank, which closed its doors on Beale avenue Thursday night and appealed to the state banking department to help it straighten out its tangled affairs.

It went to the wall with deposits of \$1,047,154.31 shown on its books against which there is \$847,154.31 in loans, secured, it is said, by anything from real estate to burial certificates. The loans, it is understood, were the primary cause for the failure.

There is due the bank from other banks and bankers, \$37,911.88. These figures include cash items and the \$1,000 in cash found when State Bank examiners took charge.

Little Hope for Depositors This amount, together with what may be realized from property holdings and collections, holds out some hope for depositors, but how much none who are acquainted with the

situation yesterday would predict. Certainly it will be far from 100 cents on the dollar.

Bank examiners stated Tuesday that the shortage would run from \$250,000 to \$300,000. A. F. Ward president of the bank; Dr. J. E. Walker, first vice president; L. W. Williams, assistant cashier and E. J. Rasberry, teller, have been arrested since the investigation began. Walker is free under \$10,000 bond. The others are being held in confinement.

A run on the Delta Penny Savings Bank of Indianola Tuesday was said to have been caused by reports that it had large deposits in the bank that failed. The Mississippi State Banking Department ordered the institution to close its doors following the run. The bank was established in 1904 and was controlled and managed by colored officers. It had on deposit upward of \$260,000.

In the failure of the Memphis bank Ward and Williams are charged with embezzlement in shortages of \$50,000. Dr. Walker, who withdrew \$6,000 and took \$20,000 of the best of the bank's first mortgage paper on deposit of the Universal Life Insurance Company, which he heads. He is charged with grand larceny.

According to U. H. Wilson and J. F. Hunt, in charge of the audit being conducted by H. L. Grigsby's department, it will be at least two weeks before they will be able to see daylight through the muddle in which they have found things.

The bank, which was one of the largest race institutions in the country, has between 15,000 and 20,000 depositors.

EXAMINERS GRILL TWO IN NEGRO BANK FAILURE

More Arrests Are Expected as Investigation Progresses.

DEPOSITORS' LOSS GROWS

Work of Straightening Negro Institution's Affairs Expected to Take Two Weeks—Irregularities Continue to Increase.

At 10 o'clock last night state bank examiners, with William Gerber, assistant attorney general, were grilling the officers of the Fraternal Solvent and Savings Bank and Trust Company with indications pointing to further arrests in connection with the failure of the institution last

week and subsequent jailing of four of its former officials on charges of embezzlement and grand larceny.

The shortage will be nearer \$200,000 than the \$100,000 figure first placed on missing funds by the examiners.

Tuesday further irregularities and discrepancies in the records came to light.

According to U. H. Wilson, F. Hunt, in charge of the audit being conducted by H. L. Grigsby's department, it will be at least two weeks before they will be able to see daylight through the muddle in which they have found things.

The bank, which was one of the largest negro institutions in the country, with between 15,000 and 20,000 depositors, closed its doors last Thursday night when it was found that there was an insufficient amount of cash on hand to meet the clearing house requirements Friday.

Immediately taking charge, the examiners found such discrepancies that they began checking the records of LeRoy Williams, assistant cashier, with the result that both Williams and A. F. Ward, president, confessed to shortages estimated at \$50,000. Later Dr. J. E. Walker, first vice-president, was charged with having withdrawn \$20,000 worth of securities and \$6,000 in cash from the bank a few hours before it was closed.

Monday night, E. J. Raspberry, head teller, confessed to shortages totaling \$5,000. Dr. Walker made bond of \$10,000, the other three preferring to remain in jail rather than face members of their race who have been greatly incensed over their actions.

BARELY FIFTEEN PERCENT TO BE PAID FOLLOWING MEMPHIS BANK CRASH--OFFICIALS UNDER BOND

Memphis, Tenn., February 6.—Completion of the rigid investigation into the defunct Solvent and Fraternal Savings Bank, by state bank examiners, disclosed a shortage of \$511,080.64, according to a report issued here today. They estimated that depositors would receive barely fifteen percent of the money they placed in the institution which closed its doors on December 29, last year.

Two Buildings Sold.

The bank had on deposits \$1,460,965. The percent which depositors will likely receive was determined after every available penny was turned into the hands of the examiners, including money derived from the sale of the two valuable bank buildings, on Saturday, January 28. The building occupied by the Fraternal Savings Bank, facing on Beale Street and running 200 feet on Hernando, prior to the consolidation of this bank with the Solvent, and the magnificent new Solvent building, the home of the combined banks, at the time of the failure were sold to the National Benefit Life Insurance company, of Washington, D. C.

The insurance company held heavy mortgages on the property growing out of their having advanced money to the bank in an effort to tide them over failure. President R. H. Rutherford, of the insurance company, together with the company's attorney, H. L. Brown, and Alfred B. Dawson, financial adviser and actuary, of New York City, and Examiner McDermott, of the District of Columbia insurance department, were in the city during the entire week completing details for taking over

the properties. They were assisted by C. B. King, agency director of the insurance company.

Officials Under Bond.

The crash of the bank resulted in the arrest of four of the officials. A. F. Ward, president; Leroy Williams, assistant cashier; and E. J. Raspberry, are under heavy bonds on the charge of embezzlement, while J. E. Walker, vice-president has a charge of grand larceny against him.

Memphis Bank Is Short \$511,084.64

Depositors of Defunct Bank Will Not Get Over 15 Per Cent of Their Money—Failure Called Worst In History of State—Two Bank Buildings Are Foreclosed and Will Not Help Depositors.

Memphis, Tenn.—According to state bank examiners, who have been in charge of affairs at the insolvent Fraternal and Solvent Bank and Trust Company, which closed its doors December 29, 1927, there is a shortage of over one-half million dollars.

In their report made public here this week, the bank examiners claimed to have found a shortage amounting to \$511,084.64, and estimated that depositors would not receive more than 15 per cent of their money.

In addition to the criminal shortage, there are overdrafts of \$55,496. Loans and discounts amount

70,164, but they are said to be largely past due and of doubtful use.

Many Bonds Worthless

Stocks and bonds, amounting to \$38,166, are valueless. The two bank buildings have been foreclosed and depositors will not realize a cent on them.

Deposits totaled \$1,460,965. About the only assets are \$1,500 worth of furniture and fixtures, a few good loans, and a bond of \$150,000 signed by directors of the bank.

State Bank Examiners I. H. Wilson, J. F. Hunt and C. E. McFarland have compiled an inventory of 509 pages as the result of their intensive audit under way for the last five weeks. It is said to be the most thorough bank audit ever made by the state banking department, as it involved 10,000 pass books and 8,000

school saving accounts. At one time as many as 30 clerks were employed during the audit.

Four Bankers Arrested

Four of the bank's officers have been arrested since it closed. A. F. Ward, president; Leroy Williams, assistant cashier and E. J. Raspberry, teller, are charged with embezzlement. J. E. Walker, vice-president, is charged with grand larceny.

Examination of all records is now being made by state officers, with the possibility of further arrests.

The Solvent Bank, examiners say, first got into trouble five years ago, when B. M. Roddy, cashier, started a chain grocery store company which later went bankrupt. Roddy and others still owe the bank \$97,485 in connection with that project.

Audit Reveals Heavy Loans

Among the loans owed to the bank are: T. H. Hayes, vice-president, and Negro undertaker, \$26,554, all unsecured and largely past due; Jane Terrell Baptist Hospital, \$50,520, secured by a trust deed on the condemned hospital property; A. C. Springfield, Negro planter of Round Lake, Miss., \$60,000 on third mortgage; American Home and Investment Co., of which Ward is also president, \$39,000.

Wayman Wilkerson, treasurer of the Knights and Daughters of Tabor, has an overdraft of \$28,733, and a personal one of \$1,283.

Ward's investment company also had an overdraft of \$87,804. He had a personal overdraft of \$67,290. The total of shortages, for which he will be held responsible, may reach \$200,000.

Banks-1928 NEGRO BANK ARRESTS ARE EXPECTED LATER

Solicitor's Office Awaits
Check of Pass Books.

Although state banking department representatives believe evidence of fraud against other Memphis negroes not under arrest is as strong as that which resulted in the arrest of four officials of the Fraternal and Solvent Bank & Trust Co., Assistant Attorney General William Gerber can take no action until an audit has been completed of pass books still outstanding, he said yesterday.

Several calls have been made by the bank examiners for depositors of the defunct negro institution to bring their pass books in for balancing, yet they announce there are a number outstanding and it is to give the liquidating agent's force an opportunity to get them, Gerber states, that the delay is necessary.

It was intimated at the conclusion of the audit of the bank's affairs Monday, when the total shortage was found to be in excess of \$500,000 that criminal proceedings would be taken against at least four other negroes, either directly or indirectly connected with the failure.

Classed as one of the worst bank failures in the state of Tennessee's history, the misuse of funds, theft of collateral and general disregard of all banking precedent has brought the institution into the unfavorable limelight as has no other in some time.

Lelroy Williams, assistant cashier; A. F. Ward, president; E. J. Raspberry, teller, and J. E. Walker, vice president, were named in the order named, the first three charged with embezzlement and the last with grand larceny.

The bank failed on Dec. 29 and Agent R. W. Hall was unable to open for the business of liquidating Tuesday morning, as it took three state examiners and a force of 30 clerks a time to straighten out its much tangled affairs.

Ward and Raspberry refused to accept bail bond, fearing anger of the 28,000 depositors, who are holding them responsible for their misfortunes. The examiners were assisted materially by the work of Williams, who confessed his part in the affair and had done all in his power to help clear up the situation. For that reason he will be dealt with leniently, it is said.

CHICAGO, ILL.

Post
FEB 6 1928

tions this morning.

\$511,084 SHORTAGE IN NEGRO BANK

MEMPHIS, Feb. 6.—(AP)—A shortage of \$511,084.64 has been found by state bank examiners at the Negro Fraternal and Solvent Bank and Trust company, which was closed Dec. 29, the examiners announced today. They estimated depositors would not receive more than 15 per cent of their money. The bank, said to have been the largest financial institution in the south operated by negroes, had deposits of \$1,460,965.

MEMPHIS BANK SHORTAGE IS \$511,084

Depositors To Get 15 Per
Cent; More Officials Face
Arrest

ORGANIZATIONS LISTED AMONG HEAVY LOSERS

Met. Baptist Loss \$25,400;
Masons, \$11,643; K. Of
P.'s \$28,733

MEMPHIS, TENN., (A. N. P.)—The shortage of the Solvent and Fraternal Bank and Trust Company is \$511,084, according to reports filed by state bank examiners here Monday of last week.

The report shows that loss of the assets of the institution was due to business and personal failures, and

set forth evidence of embezzlement, theft, overdrafts and missing collateral.

Organizations Lose

Fraternal organizations and churches are among the biggest losers, the report indicates. Among some of those institutions carrying deposits at the time of the failure were the public school account, \$13,037.58; Metropolitan Baptist Church, \$25,400; A. M. Townsend Baptist Sunday School Publishing Board, \$12,070; Knights of Pythias, and the National Benefit Life Insurance Company which has \$100,000 involved, loaned in an effort to save the institution, but which foreclosed on the two valuable buildings of the bank the day before it crashed and according to President Rutherford will not lose anything.

Masons

Numerous fraternal organizations report shortages, the Masons of Tennessee to the extent of \$11,643. Knights and Daughters of Tabor, \$28,733, Grand Court O. O. C., \$9,653. The Delta Savings Bank, Indianola, lost \$23,000 which fails to appear in the records.

The American Home Investment Company, headed by President Ward, was evidently one of the quicksands. It owes the bank \$39,000 secured by lands and notes classed as worthless. Mr. Ward's stenographer borrowed, according to the report, \$15,000 on a note secured by \$20,000 worth of stock in the Home Investment Company.

Co-operatives Owe \$97,485.47

The Citizen's Co-operative Stores owed \$97,485.37. It was forced to quit business seven years ago. Endorsers for this paper were T. H. Hayes, Bert M. Roddy, and Dr. M. R. Hurston. It was this paper which gave rise to the report later denied by Mr. Roddy, that he personally owed the bank money. J. W. Sanford, former president of the Solvent, owes the bank \$5,000.

Statement

The last statement issued by the bank follows:

Resources

Loans and discounts, \$870,164.15; stocks and bonds, \$38,166; due from banks—cash and cash items, \$17,535.05; other real estate, \$71,038.95; furniture and fixtures, \$15,730.65; overdrafts, \$55,496.65; interest on pass books not on record, \$6,306.74; irregularities and omissions, \$511,084.64. Total, \$1,585,522.83.

Liabilities

Capital stock, \$100,000; deposits, \$1,460,965.93; money due individuals, \$340; bills payable, \$24,216.90. Total, \$1,585,525.83.

Manipulation

That some of the former officials of the bank may face criminal charges is also indicated in the report which is said to show manipulation of various kinds, including fake deposit slips, stolen ledger sheets and overdrafts.

May Get 15 Per Cent

It is the opinion of the state bank examiners that depositors "had very little chance of getting more than 15 per cent of their money."

Among the resources listed in the report are, loans and discounts, \$870,164.15, stock and bonds, \$38,166; due from banks and cash, \$17,535.05; real estate, \$71,038.95.

Bank Statement Shows Cash Low

This is the final statement issued by the Fraternal and Solvent Savings Bank of Memphis, Tennessee prior to its closing in December. The item in heavy type "due from banks and cash items" shows slightly over \$17,000 in cash. According to good banking practice, a bank such as this one, with nearly a million and a half dollars in deposits should have had approximately \$300,000 in cash on hand.

Resources
Loans and discounts \$870,164.15
Stock and bonds 38,166.00
Due from banks—cash and cash items 17,535.05
Other real estate 71,038.95
Furniture & fixtures 15,730.65
Overdrafts 55,496.65
Interest on pass books not on record 6,306.74
Irregularities and omissions 511,084.64
Total \$1,585,522.83

Liabilities
Capital stock \$100,000.00
Deposits 1,460,965.93
Money due individuals 340.00
Bills payable 24,216.90
Total \$1,585,522.83

LINK CHURCH'S NAME IN NEGRO BANK CRASH

Was Heavy Borrower at Defunct Institution.

WILKERSON IS INVOLVED

Negro Political Lieutenant Hauled Funds of Fraternal Society—Three Months Pass and Only Three Indicted.

Despite the fact that three months have elapsed since the Fraternal and Solvent Savings Bank, largest negro institution of its kind, went to the wall on Dec. 18, criminal action has been started against but three of the many negroes alleged to have been responsible for the wrecking of the institution.

The crash was described by the state bank examiners as the worst in the history of Tennessee banking. Irregularities of over half million were found.

Negro school children of Memphis lost approximately \$14,000, their pennies, nickels and dimes, their leaders had urged them to save.

A. F. Ward, president; L. W. Williams, assistant cashier, and Dr. J. E. Walker, vice president, were arrested, indicted and will probably face trial for their alleged complicity in the manipulation.

The "big operators," the politicians, against whom bank examiners claim to have found a mass of documentary evidence, yet remain to be called to accounting for their activities with the bank.

Church Heavy Borrower.

Yesterday brought even further disclosures of conditions existing in the wrecked institution, and the names of R. R. "Bob" Church, negro Republican boss, now figuring prominently in the post office scandal, and T. H. Hayes, negro undertaker and former official of the bank, were connected with the maze of fraudulent manipulation.

In the mass of documents nothing is more revealing than the 1925 cashbook of the old Solvent Bank, where, on Page 470, dated Feb. 18, 1925, the record shows that Hayes gave his note to the bank for \$14,479.02 and Church gave his note for \$4,039 the same date, totaling

\$18,518.02.

At the same time a new note was made out by Hayes for \$3,158.02 and alleged bogus entries of other notes debited the Citizens Bank & Trust Company, at large; the Peoples Savings Bank & Trust Company, at large, and the Fraternal Savings Bank with notes of \$5,000 each, the whole totaling \$18,518.02 and offsetting the original two notes signed by Hayes and Church.

These accounts are referred to on page 143 of the auditor's report on file in the office of the clerk and master at the county courthouse.

In addition to the recent developments in the bank's affairs which link the names of Church and Hayes are references to Wayman Wilkerson, chief lieutenant of Church; J. L. Yancey, G. W. Atkins and W. H. Bentley, which investigators claim gives depositors

the right to seek further action to determine their culpability in the events which led to their loss of money.

At the time of the bank crash Wilkerson was requested to present his pass book in order to close his personal account and that of the Knights and Daughters of Labor, fraternal organization of which he was secretary, might be checked.

Wilkerson Overdrawn.

Wilkerson, according to officers of the fraternal order, should have had on deposit at the bank at the time of its failure approximately \$60,000 of the order's funds. Instead of that amount, bank records show that his secretarial account was overdrawn to the extent of \$28,733.15.

This account is handled on Page 134 of the record filed by the auditors.

It is shown, during further investigations, that R. B. Wilson, Church's secretary, owes the bank \$3,058.74 on a note for which security was a set of diamond earrings, and that the security is missing. Records show that the note was originally Church's. This is handled on Page 82 of the record.

An interesting disclosure was also made with reference to a note of Wayman Wilkerson's for \$1,000, which was secured by two notes of \$135 each, signed by one Ben Thompson. The note is No. 48,744 and is shown on Page 82 of the record.

At the time of the bank's failure Church carried a balance of \$53.05 while Wilkerson had an overdraft of \$1,283.56.

Hayes Another Good Borrower.

Other irregularities, which have been to a measure cleared up consist of ledger sheets, chargeable to T. H. Hayes, G. W. Atkins and J. L. Yancey to the extent of \$21,686.89, reported as missing under item "Irregularities and Overdrafts on Pages 137 to 143, which have been found in old files. On Page 22 there were reference

to notes of T. H. Hayes to the extent of \$21,403.35 which of that amount \$11,303.35 remained unpaid and \$9,500 had been accounted for by being added to the bank building valuation which was afterwards foreclosed upon by the insurance company in Washington, to which the bank was indebted to the extent of \$101,000. J. L. Yancey, according to investigators, states that these charges were made at the instruction of W. H. Bentley, counsel for the bank, Hayes and B. M. Roddy.

QUARTER MILLION MARK REACHED

THE CITIZENS SAVINGS BANK AND TRUST COMPANY REPORTS THE LARGEST AMOUNT OF DEPOSITS IN THE HISTORY OF THE BANK

The Officers of the Citizens Savings Bank and Trust Company are, this week, congratulating themselves upon the fact that the increase in the Banks Deposits shows clearly that their conservative manner of Banking meets the approval of the Nashville public.

In a statement elsewhere in this issue, at the close of business April 3, 1928, the Deposits of the Bank appear to be something over two hundred fifty-four thousand (\$254,000) dollars. Another commendable feature about the Citizens Savings Bank and Trust Company is its policy to secure its depositors by investing a great part of their money in first class securities on which they can realize a hundred per cent at any moment.

Considering the unemployment situation, it is especially gratifying to those connected with the Bank to note the splendid increase in business.

MORE ARRESTS IN BANK CRASH

Names of Thornton, Atkins, Yancey and Hays Added to the List

MEMPHIS, Tenn., Apr. 28. — Four more names were added to the growing list of those accused in the

Savings Bank failure with the incident of T. H. Hays, G. W. Atkins, J. L. Yancey and P. W. Thornton on charges of embezzling \$21,493.35. Hayes and Atkins posted \$5000 bonds, while Yancey and Thornton were liberated on bonds of \$2500 each.

The others held in connection with the bank failure are A. F. Ward, E. J. Raspberry and Leroy Williams. Hays has long been classed as

one of the wealthiest Negroes in the city. He is president of T. H. Hays & Sons, Inc., Negro undertakers, and of the Tri-State Casket and Coffin Company.

RENEW ARRESTS FOR MEMPHIS BANK FAILURE

Charge Seven Officers With Embezzlement

Memphis, Tenn., April 27.

Arrests in connection with the failure last December of the Solvent Savings Bank and Trust Company were brought to a close Friday when T. H. Hayes, wealthy undertaker and former president of the bank before its merger with the Fraternal Savings bank, was seized along with G. W. Atkins, cashier; J. L. Yancey, vice president and P. W. Foster, bookkeeper.

The state bank examiner, I. H. Wilson, went before Squire John McNamara last Friday and obtained warrants for the arrest of the four former bank officials. It was announced at the time that the names of the men named in the warrants would not be made public until arrests were made.

The state charges Hayes with embezzlement, fraudulent breach of trust and larceny of \$21,403.35 from the Solvent Savings bank. It is charged he converted the money to his own use. The former president

when arrested immediately made a \$500 bond. It was stated the grand jury had been at work on the case, and that early indictments might result.

Depositors Lose Savings

The charges against the four men are said to relate to manipulations at the Solvent Savings bank before it merged with the Fraternal bank. Four officials of the merged institutions had previously been indicted. They are: A. F. Ward, president; Leroy Williams, assistant cashier; E. J. Raspberry, teller, and Dr. J. E. Walker, vice president.

The merged banking concern failed early in the year and nearly 20,000 depositors saw their life savings wiped away. The bank had deposits of more than one million dollars. The state attorney general has been at work on the case ever since the failure. The charges against the former bank officials show that the defalcations started before the merger took place and continued after the two banking institutions were united.

MEMPHIS BANK SHORTAGE IS NOW \$300,000

Officials Say It Will Take Two Weeks To Unravel

Muddled Affairs
BRANCH BANK IN MISSISSIPPI FAILS

\$260,000 In Deposits Affected By This Second Bank Failure

MEMPHIS, TENN., (By Telegraph)--That the shortage of the Solvent and Fraternal Savings Bank and Trust Company has reached \$300,000 and that the arrest of some of the former officers is eminent, were developments in the sweeping investigation being made by Attorney General Gerber and state bank examiners this week.

The shortage of A. F. Ward alone, it is said, will run between \$250,000 and \$300,000. Ward is in the county

jail and although police say he has admitted improper use of \$50,000 of the bank's funds, an AFRO-AMERICAN correspondent learned today that he claims innocence and will plead not guilty to embezzlement charges likely to be preferred against him.

Others Involved

The arrest of some of the officers and former officers of the bank is expected hourly here as bank examiners unearth further evidences of wrongful uses of the bank's funds.

It is rumored that the failure of the bank was due to speculations dating back over several years, and that if the sweeping investigation being made is carried back far enough it will involve the administration of former President J. W. Sandford, contractor and real estate dealer who several years ago moved to Chicago where he purchased a vast amount of property.

It is also rumored that it will involve Bert M. Roddy, former cashier and for many years a controlling spirit in the development of the institution.

Roddy resigned two years ago to become field director of the National Negro Business League. More than \$100,000 of the frozen assets of the bank is said to represent paper which came into the institution under his administration as cashier.

Another leading business man, said to be involved in the Fraternal Bank end of the failure is Wayman Wilkerson, local politician and manager of the Tri-State Casket and Coffin Company, a manufacturing plant which has been doing business here for seven years.

Wilkerson was one of the leading spirits in negotiations which brought about the merger of the two institutions.

Roddy Denies Rumor

In a statement made to the National Negro Associated Press, Bert M. Roddy, who returned to Memphis last week from a tour of Southern states in interest of the National Negro Business League, declared that the statement that the bank hold paper on him for a loan of \$100,000 made several years ago when he was operating a chain of grocery stores was erroneous.

Banks-1928

LAST OF NEGRO BANK CASES IS SET MONDAY

Hayes, Atkins, Yancy and Thornton to Fight Charges.

SQUIRES CASE IS SET

May Effect Compromise in Trial of Men Accused in \$98,000 Union Compress Company Embezzlement Case.

Trial of T. H. Hayes, P. W. Thornton, J. L. Yancy and G. W. Atkins, the last of seven negro bankers to face the bar for looting the Fraternal & Solvent Savings Bank of \$500,000, will start Monday morning at 9:20 o'clock in second criminal court.

The state is confident of sending all four negroes to the penitentiary in the state. A. F. Ward, Leroy Williams and E. J. Rasberry, who were sentenced to long terms in the same courtroom last Monday when they entered pleas of guilty to charges of fraudulent breach of trust. Ward took 10 years while Rasberry and Williams were given five-year terms.

Hayes, Yancy, Thornton and Atkins, however, will have to face a jury, as in these cases the prosecution claims to have a much stronger case and is convinced that longer sentences can be exacted.

Embezzlement Case.

On the same day, in the same court, the state's case against Clyde H. Squires, Charles H. Squires and Jack Squires, charged with embezzling \$98,000 from the Union Compress & Warehouse Company, is also set for trial but will probably be continued unless a compromise verdict is reached between now and Monday.

In this case, Clyde Squires, bookkeeper for the compress company, is alleged to have stolen the missing money and sent it to his father, Charles Squires, and his brother, Jack Squires, to invest in farm land near Bayanna, Ohio. The state and the court are based upon the theory that they received the money, knowing it was stolen, and are therefore accessories.

In addition to this case and the bank cases, the criminal court calendar for the next two weeks, made out yesterday by Mike M. Cohen, clerk, contains names of 65 other defendants who will also face trial. The calendar follows:

Division One, J. Ed. Richards, Judge: Monday, May 28.—Jim Wooten (3),

Omar Wooten and Robert Crawford. Tuesday, May 29.—Oscar Wyman, Mary Lou Jones and Little Johnson (2), Addie May Hudson, John Galt.

Wednesday, May 30.—Mamie Anderson (2), Andrew Jackson.

Thursday, May 31.—Will Green, Albert Williams, James Anderson and George Williams.

Friday, June 1.—No court.

Saturday, June 2.—Motions, etc.

Monday, June 4.—Catherine Weakes, alias Mrs. S. A. Brown (2), Fred Vella.

Tuesday, June 5.—Eugene Smith, Ray Richardson (2).

Wednesday, June 6.—Frank Block and Peter Stewart, Beverly Turner.

Thursday, June 7.—Arthur C. Jones.

Friday, June 8.—Bill Tumble, Thomas Briggs (2), Ed White and Maude Belden.

Saturday, June 9.—Motions, etc.

Division Two, Hon. T. W. Harsh, Judge:

Monday, May 28.—Clyde H. Squires, Charles H. Squires and Jack Squires, Joe DePerry, West Foster (2), T. H. Hayes

G. W. Atkins, J. L. Yancy and P. W. Thornton.

Tuesday, May 29.—Haver Bell alias Williams (2), Walter Leftwich.

Wednesday, May 30.—Willie Boyd alias Jerry Milca and Max Layless (2), James Slate, Sam Dunlap.

Thursday, May 31.—Roosevelt Russell and Charles Hinsel, Molly Marshall, Solo alias Bruce Wilder and Harrison Trent (2), Mack Williams, Solo alias Bruce Wilder.

Friday, June 1.—No court.

Monday, June 4.—A. S. Hamilton, Jesse Lindsey.

Tuesday, June 5.—Wayne Queen, Harvey Brown.

Wednesday, June 6.—John Matt Smith alias John Martin, Earl Bell alias Connie, James Parchman (2).

Thursday, June 7.—James Davis, Phil Loney.

Friday, June 8.—Stella Jones, George Hobson, Frank J. Robinson and Roscoe Berry, Matthew Bell, Mrs. R. L. Missio, Phil Thomas, L. D. Woods, Nell Bexley.

Motions.

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Motions.

Nesbit, and these notes he sold to F. C. Demuth. The transaction occurred in 1921 and a few years later Sanford died. Wilkerson and Nesbit resisted payment and demanded a jury trial.

After presentation of the proof, Judge Laughlin instructed the jury to return the above verdict.

MEMPHIS IS ELATED OVER CONVICTIONS

Others to Face Trial for Embezzlement

Memphis, Tenn., June 1.—

(Special) — Depositors of the

defunct Fraternal and Solvent

Savings Bank and Trust com-

pany had their day in court

here Monday. The state held

trump cards on A. F. Ward,

president; Leroy Williams, as-

stant cashier, and E. J. Ras-

berry, teller, three of the seven

bank officials accused of aiding

in the wholesale embezzle-

ments that brought the finan-

cial institution into state re-

ceivership last December with

a deficit of more than a half

million dollars.

Ward was sentenced to 10 years

and Williams and Rasberry to sev-

en years in the state penitentiary

when they pleaded guilty to fraudulent

breach of trust.

They were carried to the peniten-

tiary at Nashville Monday night to

begin serving their terms. The sen-

tences met with the approval of the

packed courtroom.

Courtroom Packed

The courtroom was packed early

Monday as scores crowded to see the

law take action against three of the

bank officials who aided in causing

one of the largest bank crashes in

history and which shook confidence

in like institutions throughout the

South. Ward, the gray haired former

bank president and respected citizen,

and Williams and Rasberry, slim,

small and nervous, entered the court-

room, wary of the masses of depositors

in the rear. The guilty trio cast ap-

prehensive glances at those who

formerly trusted life's savings into

their keeping.

After a hurried conference between

the defense counsels and the state

attorneys, the bench was informed

notes, indorsed by Wilkerson and

that the trio had decided to plead

guilty and that the state would rec-

ommend the sentences of 10 years for

Ward and seven years for Williams

and Rasberry. It was explained that

the guilty officials could be tried for

larceny, embezzlement or making

false entries. The bench accepted

the compromise and the jury was or-

dered brought in, instructed to re-

turn the verdict agreed upon. The

thing was done so swiftly that those

in the rear of the courtroom hardly

knew what had happened.

President Pleads Guilty

The former president's guilty plea

was entered to a charge of fraudu-

lently appropriating \$170,400.29 of

the bank's money. Williams admitted

aiding and abetting Ward in the

fraudulent appropriation. Rasberry

pleaded guilty to extracting fraudu-

lently \$13,227.30 of the bank's money.

A number of chagrined depositors

seemed to think Monday that the

former bankers "got off light," but

the state attorneys stated that they

were well satisfied with the compro-

mise verdict because under the tech-

nicalities of the law, all that any of

the three men could be guilty of was

fraudulent breach of trust, which

carries a maximum penalty of 10

years.

With T. H. Hayes, J. L. Yancey, G.

W. Atkins and P. W. Thornton, form-

er officials and workers in the bank,

the case is entirely different, accord-

ing to State's Attorney General W. T.

McLain. The four will face trial next

Monday. There is to be no com-

promise verdict, but a jury will be

asked to give them the limit of the

law, which will be 20 years in the

penitentiary, on a false entry charge.

The first chapter of the bank

drama showed that the bank loot-

ers borrowed money on diplomas and

did not scruple to dispense even such

questionable collateral. The second

chapter will be brought to a close

when the four remaining looters are

brought to the bar of justice for the

theft of \$21,000. The state is still

preparing and reworking this latter

case. Bank examiners are still

searching through the records of the

wrecked institution.

Both Corrupted

It has been revealed that at the

time of the merger of the Solvent

Savings bank, of which T. H. Hayes,

wealthy undertaker, was president,

with the Fraternal Savings bank, of

which Ward was president, that both

institutions were a mass of internal

corruption, with officers stealing

right and left.

The banks merged Oct. 1, 1927,

announcing that the merger gave

the combined banks a capital of

\$200,000 and total deposits of over

\$1,500,000, making it one of the

strongest banks in the South. It

was on Dec. 30, two months later,

that the true strength was ascer-

tained and a half a million dollar

shortage discovered by prying eyes

of bank examiners.

Ward was given a 10-year sen-

tence while Williams and Rasberry

were sentenced to five years each.

The trio left for the state peniten-

tiary in Nashville, Monday night, in

custody of Deputies Cox and Buford.

Other Trials Monday

Thomas H. Hayes, J. L. Yancy, G.

W. Atkins and Powers D. Thornton,

all officials of the old Solvent Bank,

will be tried next Monday on charges

of making false entries.

Attorney General McClain has in-

dicated that he will ask the court

to sentence them to the maximum

of 20 years each. 3-26-28

Compromise

The disposition of the cases of

Ward, Williams and Rasberry took

the form of a compromise, the state's

attorney stating that they could only

be held for fraudulent breach of

trust and at most would be given

sentences of 10 years.

There will be no compromise, how-

ever, he stated, in the trial Monday.

\$300,000 Shortage

The failure of the Solvent and

Fraternal Savings Bank was the

largest in the history of Negro fi-

nancial institutions in the country.

On October 3, of last year, it was

announced that the Old Solvent Sav-

ings Bank organized more than 20

years ago by the elder R. R. Church-

ton, and a group of business men, had

merged with the Fraternal Savings

Bank, of which A. F. Ward was pres-

ident. The failure of the two institu-

tions was over \$1,000,000.

Many of the large churches and

fraternal organizations have been put

into dire financial straits by the fail-

ure of the bank.

Many of the depositors, who ex-

pressed themselves to the AFRO

correspondent, declared that they

were not satisfied with the sentences

given Ward, Williams and Rasberry.

Business men declare that confi-

dence in Negro business in the com-

munity has been destroyed and that

financial conditions are deplorable.

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fraternal organizations have been put

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Many of the depositors, who ex-

pressed themselves to the AFRO

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THEIR JUST DESERTS

The defaulting officers of the insolvent bank of ours in Memphis, Tenn., have been tried by a jury of their peers and found guilty. They must serve sentences in jail and we feel that they are getting their just deserts. Heretofore there has been a lot of sympathy accorded to scoundrels and rascals who blasted the hopes of their people and shook the confidence of their entire race in the ability of their people to do big business. There has been so much hero worship that even when culprits have been caught red-handed they have been defended and white-washed. This sort of business has given the impression, evidently, that our corporations could be robbed and exploited and nothing would be said or done, but in the Memphis case drastic and harsh measures have been rightfully used. This should have been done in the case of Standard Life.

When discrepancies were pointed out, when warnings were sounded and the public was given notice to be on guard, a lot of foolish believers began to assail the accusers and return "no bills" against the accused. After much stalling Standard Life collapsed and then we could only get consolation by crying: "We told you so." It was then too late. Nobody knows how Standard Life has been juggled and how skillfully the assets shrunk. Thousands of dollars have been lost to the race and nobody has even been arrested and now we hear that Heman Perry, the evil genius of Standard Life, has set himself for a comeback in Oklahoma. We do not believe that there can be a remission of sins without a shedding of blood. The Memphis bankers got their just deserts and Perry of Standard Life enjoys free air.

EXTRA!

Pen Terms For Memphis Bankers

(E. T. News Special.)

MEMPHIS, Tenn., May 22.—Submitting to charges of fraudulent breach of trust, preferred against them in criminal court, A. F. Ward, president of the Fraternal and Solvent Savings Bank; LeRoy Williams, assistant cashier, and E. J. Rasberry, teller, received sentences to the state penitentiary of ten and five years each, respectively, today. The sentence of Ward which read "not more than ten years," will entitle him to parole in five years on good behavior.

The failure of the Fraternal and Solvent Savings Bank proved one of the most disastrous financial crashes that the Negro racial group had experienced in years. It followed the consolidation of the two well known Beale Street banks which had been in operation under Negro control for many years. Besides the large number of churches and organizations who lost their money, thousands of school children lost their entire savings in the crash.

DEFUNCT BANK PRESIDENT WAS "ONLY A FRONT"

T. H. Hayes Testifies That
His Duty Was To "Look
Important"

THREE GET ONE TO
FIVE YEAR TERMS
Six Officials Now Sentenced

As Result Of \$300,000
Bank Crash

MEMPHIS, TENN.—Testifying that he was absolutely ignorant of the actual workings of the defunct Solvent and Fraternal Savings Bank, T. H. Hayes, former president of the Solvent Bank, told the court Friday that his only duty was to "walk around and look important."

Hayes, who has been a successful undertaker and at one time rated as one of the wealthiest men of the group in the South, not only professed complete innocence as to the internal operations of the bank, but declared that he was innocent of any wrong doing.

Three Convicted

The jury, however, after three hours of deliberation brought in a verdict of fraudulent breach of trust against Hayes, G. W. Atkins, vice-president and J. L. Yancy, a teller.

Hayes was sentenced to one year in the penitentiary while Atkins and Yancy got five year terms each. Immediately following the sentences attorneys representing the three men gave notice for a motion for a new trial which will be argued June 15.

It was also indicated that if the motion for a new trial was denied the case would be appealed to the Supreme Court.

Sentences Light

Attorneys representing the State expressed surprise at the light sentence given Hayes, whom they declare had been directly connected with the theft of \$21,403.35 of the bank's money.

G. W. Atkins who was vice-president also protested "injured innocence," and stated that he "got connected with the bank because the people had so much confidence in him."

Considerable laughter and chuckling came from the mass of depositors in the court room when vice-president Atkins gave this testimony.

The conviction of the three men brings the total sentenced so far to prisons to six, A. F. Ward, president of the Fraternal Bank, E. J. Rasberry and Leroy Williams having been sentenced to ten, five and five years, respectively, two weeks ago. Powers W. Thornton, teller at the Solvent Bank, who turned State's evidence on Hayes, Atkins and Yancy, is yet to be tried. It is expected that the State will be lenient with Thornton as he proved a material witness and was said to be little more than a tool in the hands of his superior officers.

Half-Million Crash

The conviction of Hayes, Yancy and Atkins brings to a close the prosecution growing out of a half-million dollar crash last December, when 20,000 depositors were left "holding the bag". The crash followed close on the heels of a merger between the Fraternal Savings Bank and Trust Company headed by Ward and the Solvent Savings Bank and Trust Company, the latter being regarded as one of the best established institutions in the country.

More than \$1,000,000 was said to have been deposited in the two institutions and the failure carried with it two other banks, numerous business enterprises and large deposits of lodges, churches and other organizations.

Juggled Money

Besides evidence furnished by State bank examiners that all kinds of bank, check and note juggling had been participated in by some of the officials, other unusual forms of fraud were discovered. Included in this testimony was the theory presented by the State that T. W. Hayes, who was endowment secretary of the Knights of Pythias, was short in his accounts in the sum of \$21,403.35. That was in July, 1925.

In August of the same year there was to be a State convention of the Pythians and it was necessary for Hayes to show a proper balance and make a turn over of the funds to R. W. Allen, who elected to succeed him by the lodge.

To make up the deficit, two checks were executed, one by Atkins and the other by Hayes. In this way the lodge's account was credited with the correct balance. Later checks were taken out of the account and still later a check for the amount was drawn on Hayes' account by the lodge. To meet this check Allen's account was debited for the amount of the shortage.

MEMPHIS BANK TELLER TURNS STATE WITNESS

MEMPHIS, Tenn., (Special. By Telegram). — Frenzied finance, check "switching" of large amounts and other irregularities featured the first day's trial of the second group of Solvent and Fraternal Savings Bank officials here, Monday.

Indications that Powers Thornton, teller of the wrecked bank, had turned State's evidence, developed when he was given a severance at the beginning of the trial. Those who went on trial Monday were Thomas J. Hayes, underwriter, and for many years one of the leading business men of the city; G. W. Atkins, its vice-president and an insurance man; J. L. Yancy, assistant cashier and P. W. Thornton, teller.

Evidence Called "Rotten"

Evidence brought out Monday by the State bank examiner, I. H. Wilson, white, who was the first witness, revealed an amount of "rottenness" described by the official as the worse he had ever witnessed in banking experience.

It was testified that T. H. Hayes, who in 1925 was secretary-treasurer of the Knights of Pythias, had on deposit, or should have had on deposit at the bank, the sum of \$36,888.97 to the credit of the lodge. Records at the bank revealed that Hayes had but \$15,000 there.

Ousted From Lodge

About this time the Knights of Pythias held a state convention at Nashville and Hayes was voted out of office. To make his account at the bank balance, Hayes and Atkins executed notes for \$11,000 and \$9,500, respectively, making up the deficit of \$21,403.

Frenzied Finance

To make the accounts balance Hayes took \$21,403 from his account and applied it to the lodge's credit. The next day, however, after the audit was made, the sum of \$21,403 was immediately switched from the fraternal order's account back to Hayes' account and there was no deposit or debit ticket to trace the transaction.

B. F. Booth, well-known lawyer, is representing Thornton and Charles M. Bryan, white, is representing the other defendants.

The court is crowded.

Banks - 1928

DANVILLE BANK'S GROWTH FOR THE YEAR VERY GOOD

Substantial Progress Shown In Annual Reports Rendered

Danville, Va.—The stockholders of Danville Savings Bank and Trust Company, held their ninth Annual Stockholders' Meeting on Friday, April 27, and despite the heavy and continuous downpour of rain which lasted throughout the day into the night, more than 50 of the shareholders were present with 70% of the 5,000 outstanding shares of the bank's capital represented in person and by proxy.

The report of the Board of Directors and of the cashier, M. C. Martin, were enthusiastically received, one placed in the hands of each person present in pamphlet form, and showed a satisfactory and substantial year's growth of the institution. The cashier's report showed the institution's resources to be in a very liquid condition which, as he explained, was at the sacrifice of a probably higher return in interest earnings, but the protection furnished by such a policy was very cheap insurance and more than compensated for the reduced income.

The management of this bank has conducted it along the most conservative lines and while being in a small city it has not amassed in the aggregate as much in deposits as many other institutions, it continues to be an outstanding example of just how safely and soundly our institutions can operate when strict yet progressive banking principles are observed and rigidly adhered to.

After the reports followed by expressions from many of those present with promises to boost their institution and help bring its deposits to at least a quarter of a billion by the next meeting, the members of the Board of Directors were re-elected in full for another year, as follows: Chairman, Rev. G. W. Goode, E. G. Adams, J. H. Adams, P. H. Doswell, Chas. Duke, J. E. Geary, W. F. Grasty, F. P. Graves, W. H. Hubbard, Theo. Manuel, R. O. Martin, Irvin W. Taylor, Watkin Thompson, W. H. Wilson and A. L. Winslow.

The official incumbents were re-elected by the Board, as follows. Watkin Thompson, president; P. H. Doswell, and A. L. Winslow, vice presidents, M. Conrad Martin, cashier, and J. E. Martin assistant cashier.

JOHN MITCHELL AGAIN LOSES IN BANK CASE

Supreme Court Of Appeals Declines To Enjoin Sale Of Property

Richmond, Va., Nov. 13.—The Supreme Court of Appeals today made John Mitchell jr., again the loser in another phase of extensive litigation concerning the assets of the Mechanics Savings Bank of Richmond, of which he was president. The court refused his appeal from a decree of the chancery court of Richmond refusing to enjoin the sale of certain property which Mr. Mitchell had conveyed to trustee for the benefit of the bank's creditors and for other purposes.

The decree was in a case styled the commonwealth of Virginia, suing at the relation and for the benefit of J. R. Tucker and James W. Gordon, receivers of the Mechanics Savings Bank of Richmond, and others against the Mechanics Savings Bank and others.

According to the record in the case Mitchell was president of the bank for which receivers were appointed in 1922. He conveyed to S. S. P. Patterson and H. M. Smith jr., trustees, thirteen pieces of Richmond property for the benefit of the bank's creditors and to cover amounts which might be due by him to the bank and which were covered by his official bond of \$100,000 and for other purposes.

Some of this property was sold, and this year some more of the property was advertised. Mr. Mitchell sought an injunction on the ground that the property should not be sold until it was ascertained what, if anything, he owed the bank. He contends that not only is he not a debtor of the bank, but that in fact he is a creditor of the institution.

Virginia.